



**S.Y.B.Com**  
**SKILL ENHANCEMENT COURSES (SEC)**  
**ADVERTISING**

**Dr. Suhas Pednekar**

Vice-Chancellor  
University of Mumbai,  
Mumbai

**Dr. Kavita Laghate**

Professor cum Director,  
Institute of Distance & Open Learning,  
University of Mumbai, Mumbai

**Anil R Bankar**

Associate Prof. of History & Asst. Director &  
Incharge Study Material Section,  
IDOL, University of Mumbai

**Course and Programme  
Co-ordinator**

: **Dr. Madhura Kulkarni**  
Asst. Prof-cum-Asst. Director, IDOL,  
University of Mumbai, Mumbai-400 098

**Course Writers**

- : **Dr. Subhash D'souza**  
ST. Joseph College,  
Vasai
- : **Dr. Vinod Kamble**  
Bal Bharati's MJP College of Commerce  
Kndivali (West), Mumbai.
- : **Ms. Anitha Menon**  
Institute of Distance and Open Learning,  
University of Mumbai.
- : **Dr. Megha Juvekar**  
Nirmala Memorial Foundation College of  
Commerce and Science,  
Kandivali (East), Mumbai.

**September 2019, S.Y.B.Com., Skill Enhancement Courses (SEC)  
Advertising**

Published by : Director Incharge  
Institute of Distance and Open Learning ,  
University of Mumbai,  
Vidyanagari, Mumbai - 400 098.

DTP Composed : Ashwini Arts  
Gurukripa Chawl, M.C. Chagla Marg, Bamanwada,  
Vile Parle (E), Mumbai - 400 099.

Printed by :

# CONTENTS

Unit No.	Title	Page No.
<b>SECTION - I</b>		
1	Integrated Marketing Communications	1
2	Advertising	22
3.	Classification of Advertising	41
4.	Advertising Agency - I	58
5.	Advertising Agency - II	73
6.	Economic and Social aspects of Advertising	93
7.	Brand Building and Special purpose Advertising	109
<b>SECTION - II</b>		
8.	Media in Advertising	125
9.	Planning Advertising Campaign	150
10.	Execution and Evaluation in Advertising	170
11.	Fundamentals of Creativity in Advertising	186



# I

**Institute of Distance and Open Learning**  
**Revised Syllabus**  
**S.Y. B.Com.**  
**With Effect from the Academic Year 2019-20**  
**Skill Enhancement Courses (SEC)**  
**Advertising**

**Course Objective:**

1. To highlight the role of advertising for the success of brands and its importance within the marketing function of a company.
2. It aims to orient learners towards the practical aspects and techniques of advertising.
3. It is expected that this course will prepare learners to lay down a foundation for advanced post-graduate courses in advertising

## SECTION I

Sr. No.	Modules
1	Introduction to Advertising
2	Advertising Agency
3	Economic & Social Aspects of Advertising
4	Brand Building and Special Purpose Advertising

Sr. No.	Modules
1	<b>Introduction to Advertising</b> <ul style="list-style-type: none"><li>• <b>Integrated Marketing Communications (IMC)</b>- Concept, Features, Elements, Role of advertising in IMC</li><li>• <b>Advertising:</b> Concept, Features, Evolution of Advertising, Active Participants, Benefits of advertising to Business firms and consumers.</li><li>• <b>Classification of advertising:</b> Geographic, Media, Target audience and Functions.</li></ul>
2	<b>Advertising Agency</b> <ul style="list-style-type: none"><li>• <b>Ad Agency:</b> Features, Structure and services offered, Types of advertising agencies , Agency selection criteria</li><li>• <b>Agency and Client:</b> Maintaining Agency–Client relationship, Reasons and ways of avoiding Client Turnover, Creative Pitch, Agency compensation</li></ul>



## II

	<ul style="list-style-type: none"> <li>• <b>Careers in advertising:</b> Skills required for a career in advertising, Various Career Options, Freelancing Career Options - Graphics, Animation, Modeling, and Dubbing.</li> </ul>
3	<p><b>Economic &amp; Social Aspects of Advertising</b></p> <ul style="list-style-type: none"> <li>• <b>Economic Aspects:</b> Effect of advertising on consumer demand, monopoly and competition, Price.</li> <li>• <b>Social aspects:</b> Ethical and social issues in advertising, positive and negative influence of advertising on Indian values and culture.</li> <li>• <b>Pro Bono/Social advertising:</b> Pro Bono Advertising, Social Advertising by Indian Government through Directorate of Advertising and Visual Publicity (DAVP), Self-Regulatory body- Role of ASCI (Advertising Standard Council of India)</li> </ul>
4	<p><b>Brand Building and Special Purpose Advertising</b></p> <ul style="list-style-type: none"> <li>• <b>Brand Building:</b> The Communication Process, AIDA Model, Role of advertising in developing Brand Image and Brand Equity, and managing Brand Crises.</li> <li>• <b>Special purpose advertising:</b> Rural advertising, Political advertising-, Advocacy advertising, Corporate Image advertising, Green Advertising – Features of all the above special purpose advertising.</li> <li>• <b>Trends in Advertising:</b> Media, Ad spends, Ad Agencies, Execution of advertisements</li> </ul>

## SECTION II

Sr. No.	Modules
5	Media in Advertising
6	Planning Advertising Campaign
7	Execution and Evaluation of Advertising
8	Fundamentals of Creativity in Advertising

Sr. No.	Modules
5	<p>Media in Advertising</p> <ul style="list-style-type: none"> <li>• <b>Traditional Media:</b> Print, Broadcasting, Out-Of-Home advertising and films - advantages and limitations of all the above traditional media</li> </ul>

### III

	<ul style="list-style-type: none"> <li>• <b>New Age Media:</b> Digital Media / Internet Advertising – Forms, Significance and Limitations</li> <li>• <b>Media Research:</b> Concept, Importance, Tool for regulation - ABC and Doordarshan Code</li> </ul>
6	<p>Planning Advertising Campaign</p> <ul style="list-style-type: none"> <li>• <b>Advertising Campaign:</b> Concept, Advertising Campaign Planning -Steps</li> </ul> <p>Determining advertising objectives - DAGMAR model</p> <ul style="list-style-type: none"> <li>• <b>Advertising Budgets:</b> Factors determining advertising budgets, methods of setting advertising budgets, Media Objectives - Reach, Frequency and GRPs</li> <li>• <b>Media Planning:</b> Concept, Process, Factors considered while selecting media, Media Scheduling Strategies</li> </ul>
7	<p>Execution and Evaluation of Advertising</p> <ul style="list-style-type: none"> <li>• <b>Preparing print ads:</b> Essentials of Copywriting, Copy – Elements, Types, Layout- Principles, Illustration - Importance.</li> <li>• <b>Creating broadcast ads:</b> Execution Styles, Jingles and Music – Importance, Concept of Storyboard</li> <li>• <b>Evaluation:</b> Advertising copy, Pre-testing and Post-testing of Advertisements – Methods and Objectives</li> </ul>
8	<p>Fundamentals of Creativity in Advertising</p> <ul style="list-style-type: none"> <li>• <b>Creativity:</b> Concept and Importance, Creative Process, Concept of Creative Brief, Techniques of Visualization</li> <li>• <b>Creative aspects:</b> Buying Motives - Types, Selling Points- Features, Appeals – Types, Concept of Unique Selling Proposition (USP)</li> <li>• <b>Creativity through Endorsements:</b> Endorsers – Types, Celebrity Endorsements – Advantages and Limitations, High Involvement and Low Involvement Products</li> </ul>

#### References :

1. Advertising and Promotion : An Integrated Marketing Communications Perspective George Belch and Michael Belch, 2015, 10<sup>th</sup> Edition, McGraw Hill Education
2. Contemporary Advertising, 2017, 15th Edition, William Arens, Michael Weigold and Christian Arens, Hill Higher Education

#### IV

3. Strategic Brand Management – Kevin Lane Keller, 4th Edition, 2013 – Pearson Education Limited
4. Kleppner's Advertising Procedure – Ron Lane and Karen King, 18th edition, 2011 – Pearson Education Limited
5. Advertising: Planning and Implementation, 2006 – Raghuvir Singh, Sangeeta Sharma –Prentice Hall
6. Advertising Management, 5th Edition, 2002 – Batra, Myers and Aaker – Pearson Education
7. Advertising Principles and Practice, 2012 - Ruchi Gupta – S.Chand Publishing
8. Brand Equity & Advertising- Advertising's role in building strong brands, 2013- David A. Aker, Alexander L. Biel, Psychology Press
9. Brand Positioning – Strategies for Competitive Advantage, Subroto Sengupta, 2005, Tata McGraw Hill Publication.
10. The Advertising Association Handbook - J. J. D. Bullmore, M. J. Waterson, 1983 - Holt Rinehart & Winston
11. Integrated Advertising, Promotion, and Marketing Communications, Kenneth E. Clow and Donald E. Baack, 5th Edition, 2012 – Pearson Education Limited
12. Kotler Philip and Eduardo Roberto, Social Marketing, Strategies for Changing Public Behaviour, 1989, The Free Press, New York.
13. Confessions of an Advertising Man, David Ogilvy, 2012, Southbank Publishing
14. Advertising, 10<sup>th</sup> Edition, 2010 - Sandra Moriarty, Nancy D Mitchell, William D. Wells, Pearson



## **PAPER PATTERN**

### **SECTION I**

- |                                     |    |
|-------------------------------------|----|
| 1. Explain the terms (any five)     | 10 |
| 2. Answer the following (any three) | 30 |
| 3. Write short notes (any two)      | 10 |

### **SECTION II**

- |                                     |    |
|-------------------------------------|----|
| 4. Explain the terms (any five)     | 10 |
| 5. Answer the following (any three) | 30 |
| 6. Write short notes (any two)      | 10 |



# INTEGRATED MARKETING COMMUNICATIONS

## Unit Structure:

- 1.0 Objectives
- 1.1 Introduction to Integrated Marketing Communication (IMC)
- 1.2 Elements of IMC
- 1.3 Features of IMC
- 1.4 IMC planning process or steps involved in IMC planning process
- 1.5 Role of advertising in IMC
- 1.6 Summary
- 1.7 Exercise

---

## 1.0 OBJECTIVES

---

After studying the unit the students will be able to:

- Define the term Integrated Marketing Communication
- Explain the various Components, Features and Elements of an Integrated Marketing Communication
- Discuss about the major Objectives or Purpose of Integrated Marketing Communication and
- Explain the Role of Advertising in an Integrated Marketing Communication

---

## 1.1 INTRODUCTION TO IMC

---

### 1.1.1 Meaning

Integrated Marketing Communication is a simple concept. It ensures that all forms of communications and messages are carefully linked together. Integrated Marketing Communication plays an important role in the marketing of goods and services. It is used to influence customer behaviour in favour of the product.

At its most basic level, integrated marketing communication refers to integrating all the methods of brand promotion to promote a particular product or service among target customers. In

integrated marketing communication, all aspects of marketing communication work together for increased sales and maximum cost effectiveness.

Integrated Marketing Communication is defined as “**a marketing mix element used to inform, persuade and remind people about an organization and/or its products.**”



In this cluttered and fragmented media environment, only advertising in traditional media (or a mix of one or two other promotional tools) does not enable marketers to reach their target market. Thus, integrated marketing communications (IMC) are required. IMC involves strategic synchronization of various forms of persuasive communication programs with customers and prospects over time. The goal of IMC is to convey a company's marketing messages in a consistent and coherent manner through different promotional channels. The utmost task for IMC is ensuring consistency in messages and executions so that the target audience is able to connect any execution to the brand in the end.

### 1.1.2 COMPONENTS OF IMC

Let us go through various **Components of Integrated Marketing Communication**:

1. **The Foundation** - As the name suggests, foundation stage involves detailed analysis of both the product as well as target market. It is essential for marketers to understand the brand, its offerings and end-users. You need to know the needs, attitudes and expectations of the target customers. Keep a close watch on competitor's activities.
2. **The Corporate Culture** - The features of products and services ought to be in line with the work culture of the organization. Every organization has a vision and it's important for the

marketers to keep in mind the same before designing products and services. Let us understand it with the help of an example. Organization A's vision is to promote green and clean world. Naturally its products need to be eco-friendly and biodegradable, in lines with the vision of the organization.

3. **Brand Focus** - Brand Focus represents the corporate identity of the brand.
4. **Consumer Experience** - Marketers need to focus on consumer experience which refers to what the customers feel about the product. A consumer is likely to pick up a product which has good packaging and looks attractive. Products need to meet and exceed customer expectations.
5. **Communication Tools** - Communication tools include various modes of promoting a particular brand such as advertising, direct selling, promoting through social media such as Facebook, Twitter, Orkut and so on.
6. **Promotional Tools** - Brands are promoted through various promotional tools such as trade promotions, personal selling and so on. Organizations need to strengthen their relationship with customers and external clients.
7. **Integration Tools** - Organizations need to keep a regular track on customer feedbacks and reviews. You need to have specific software like customer relationship management (CRM) which helps in measuring the effectiveness of various integrated marketing communications tools.

Integrated marketing communication enables all aspects of marketing mix to work together in harmony to promote a particular product or service effectively among end-users.

### 1.1.3 OBJECTIVES:

Once they have developed products and services, organizations must communicate the value and benefits of the offerings to both current as well as potential customers in both business-to-business and business-to-consumer markets. Integrated marketing communications (IMC) provide an approach designed to deliver one consistent message to buyers across an organization's promotions that may span all different types of media—TV, radio, magazines, the Internet, mobile phones, and so forth.

Some important **Objectives of IMC** are as follows:



### Awareness

The primary objective of IMC is to create customer awareness to survive market competition through techniques such as advertising, publicity, and personal selling.



### Brand Loyalty

Involves customer making repeat purchases and recommending a brand to others. Company can develop brand loyalty through sales promotions, effective personal selling and timely, effective direct marketing.



### Brand Image

Brand Image refers to a customer's perception of a brand. Marketers use various techniques for developing brand image.



### Market Expansion

Marketers can use various IMC techniques to expand their markets from the local to regional to national level.



### Persuasion

If competitors have similar products, a marketer can use IMC techniques to show the superiority of their products and encourage buying.



### Educating Customers

IMC techniques are used to educate customers about (for instance) the use of a product, handling operations, etc.

---

## 1.2 ELEMENTS OF IMC:

---

**Integrated marketing communication** is the process of coordinating all the activities across different communication methods. Effective marketing communication is goal directed, and it is aligned with an organization's marketing strategy. It aims to deliver a particular message to a specific audience with a targeted purpose of altering perceptions and/or behavior. Integrated marketing communication (IMC) makes this marketing activity more efficient and effective because it relies on multiple communication



methods and customer touch points to deliver a consistent message in more ways and in more compelling ways.



### Publicity

A form of mass communication used for product promotion through news about a firm's products, actions, policies, awards, etc.

### Advertising

A paid form of non personal presentation and promotion of ideas, goods, and services by an identified sponsors. Message can be communicated through media like newspapers, magazines, radio, TV direct mail and internet.

Example: Grofers advertisement informed customers about their services when they launched their operations.



### Sales Promotion

A set of marketing activities to boost sales of product or service. Techniques include:

1. After sales service
2. Consumer contests
3. Discounts
4. Exchange offers
5. Free samples

### Sponsorship

A firm may sponsor sports, cultural, and social events to create a distant image for itself and its brands.

Example: Mumbai Indians, an IPL team, is sponsored by reputed brands like Videocon and DHL. Similarly, RCB is sponsored by HERO, LYF, and Lloyds.





### Personal Selling

It involves face to face communication between a firm's representative and potential customer. It is the oldest form of promotion.

Example: Perfume brands use the personal selling IMC element in malls to boost sales.

### Public Relations (PR)

PR refers to creating and maintaining goodwill of an organization's stakeholders (customers, employees, investors and suppliers) through publicity and other non paid forms of communication. Firms are concerned about the effects of their actions on the public. They need to understand concerns of the public and communicate their goals and interests to them.

Example: Tata group engaged Re-diffusion, led by Arun Nanda, to manage PR affairs from November 1, 2011.



### Packaging

A well designed package can communicate the product type and quality and influence potential customers.

Example: Paper Boat uses attractive product packaging.

### Direct Marketing

Involves selling products and services directly to the customer. Techniques include direct mail, telemarketing, brochures, and catalogues.

Example: Airtel and Vodafone call customers to inform about their latest offers and schemes.



### Digital Marketing

Digital marketing is the study, management and promotion of brands, products or services via digital technologies such as email, search engines, social media, websites, mobile apps, etc.

These technologies are utilized via electronic devices such as Phones, Tablets, Notebooks, Laptops, Desktops, etc.

**Publicity's** primary purpose is to get specific information across to as many people as possible within the shortest time frame. To record any sale of products or services, customers have to be aware they exist, and they also have to know the attached benefits. As the number of people aware of a product or service increases, the potential for additional sales also increases. While publicity is a key component of marketing strategies, it is different from

marketing because there often is no message beyond letting an audience know that the product or service in question exists. A publicity campaign might be built around making a product or brand visible through strategies such as product placements or logos on vehicles that are seen around town. This strategy typically does not share or describe a product's specific benefits, but it puts it in front of as many eyes as possible.

**Advertising** is any paid form of communication from an identified sponsor or source that draws attention to ideas, goods, services or the sponsor itself. Most advertising is directed toward groups rather than individuals, and advertising is usually delivered through media such as television, radio, newspapers and, increasingly, the Internet. Ads are often measured in impressions (the number of times a consumer is exposed to an advertisement).

**Sales promotions** consist of other types of promotions—coupons, contests, games, rebates, mail-in offers, and so forth—that are not included as part of another component of the communication mix. Sales promotions are often developed to get customers and potential customers to take action quickly, make larger purchases, and make repeat purchases. Many stores now place coupons next to products to encourage consumers to select a particular brand and products.

**Sponsorships** go hand-in-hand with events, as organizations affiliate themselves with events and organizations by signing on to co-sponsor something available to the community. Sponsorships cover the gamut: charitable events, athletes, sports teams, stadiums, trade shows and conferences, contests, scholarships, lectures, concerts, and so forth. Marketers should select sponsorships carefully to make sure that they are affiliating with activities and causes that are well managed and strategically aligned with the public image they are trying to cultivate.

**Personal selling** is an interactive, paid approach to marketing that involves a buyer and a seller. The interaction between the two parties can occur in person, by telephone, or via another technology. Whatever medium is used, developing a relationship with the buyer is usually something the seller desires.

Both the buyer and seller have objectives they hope to achieve. Although business-to-business markets utilize more personal selling, some business-to-consumer markets do as well. If you have ever attended a Tupperware party or purchased something from an Amway representative, you've been exposed to personal selling.

**Public relations (PR)** help improve and promote an organization's image and products by putting a positive spin on news stories. Public relations' materials include press releases, publicity, product placement, and sponsorships. Companies also use PR to promote products and to supplement their sales efforts. PR is often perceived as more neutral and objective than other forms of promotion because much of the information is tailored to sound as if it has been created by an organization independent of the seller. Many companies have internal PR departments or hire PR firms to find and create public relations opportunities for them. As such, PR is part of a company's promotion budget.

**Packaging** of the product is equally part of the product, since the packaging can convey in little words what the product is. The main purpose of packaging is to protect the content of the product from its environment, but it can also perform other functions such as to; inform customers of price, ingredients and product use, brand and product recognition, attract attention, break through competitive clutter at the point of purchase and ultimately motivate consumers' brand choices etc.

**Direct marketing** involves delivering personalized promotional materials directly to individual consumers. It provides an interactive approach for organizations to reach consumers in hope of getting consumers to take action. Materials may be delivered via mail, catalogues, Internet, e-mail, telephone, or direct-response advertising. Several benefits of direct marketing include the ability to target a specific set of customers, measure the return on investment (ROI), and test different strategies before implementing to all targeted consumers. However, direct marketing is very intrusive and many consumers may ignore attempts to reach them.

**Digital Marketing** is an umbrella term for using a digital tool to promote and market products, services, organizations and brands. As consumers and businesses become more reliant on digital communications, the power and importance of digital marketing have increased. The direct marketing section of this chapter already discussed two digital tools: email and mobile marketing, which fit into both categories. This section will discuss other essential tools in the digital marketing tool kit: Web sites, content marketing and search-engine optimization (SEO), and social media marketing.

---

### **1.3 FEATURES OF IMC**

---

By integrating tools such as advertising, direct mail, social media, telemarketing and sales promotion, you provide clarity, consistency and maximum communications impact, according to the American Association of Advertising Agencies' definition.

**a) Receive Better Results**

In the traditional approach to marketing communications, businesses and their agencies plan separate campaigns for advertising, press relations, direct marketing and sales promotions. Integrated campaigns use the same communication tools to reinforce each other and improve marketing effectiveness. In an integrated campaign, you can use advertising to raise awareness of a product and generate leads for the sales force.

By communicating the same information in press releases and feature articles, you reinforce the messages in the advertising. You can then use direct mail or email to follow up inquiries from the advertising or press campaigns and provide prospects with more information. To help convert those prospects to customers, you can use telemarketing to sell directly or make appointments for the sales team. An active online presence on social media sites like Facebook and Twitter provide a further set of tools for reaching out to your customer base.

**b) Creative Consistency throughout Channels**

In an integrated campaign, the different tools feature the same creative treatment. By repeating the headlines, key phrases and images in each communication, you ensure that prospects and customers receive consistent messages each time they see one of the elements of the campaign. Creative consistency helps reinforce the basic campaign themes by increasing the number of times prospects see or hear the same message. By working consistently through several different channels, you can better build awareness of your business name, brands, offers, catch phrases or other messages you emphasize.

**c) Overall Cost Savings**

Creative consistency in your integrated campaigns can also save you money. By using the same images and adapting the same copy for different media, you reduce copy-writing, design and photography costs. Expensive video production output can be used in multiple media like television, YouTube and Facebook. If you work with external communications suppliers, you may be able to reduce agency fees by working with a single firm that offers integrated communications services, rather than separate specialist agencies.

**d) Aligning with Customer Preferences**

An integrated campaign helps you provide customers with information in the format they prefer. Consumers and business customers can specify if they want to receive product information via email, direct mail, text message or telephone. Clients that you do not reach directly can still benefit from your campaigns by viewing your print ads or hearing your radio and TV spots.

Integration ensures that customers and potential customers receive the same information in all communications. You can also meet the needs of customers who search the Internet for product information by integrating your website design and content with other communications.

---

## **1.4 IMC PLANNING PROCESSOR STEPS INVOLVED IN IMC PLANNING PROCESS**

---

### **Step 1. Review of Marketing Plan:**

Before developing a promotional programme, it is important to understand where the company's (or the brand) current position is in the market, where it intends to go and how it plan to get there. A marketing plan is a written document describing the overall marketing strategy and programme developed for the organization, a particular product line or a brand.

#### **• Marketing plan included the following basic elements:**

1. A detailed situation analysis that consists of an internal marketing audit and an external analysis of the market competition and environmental factors.
  2. Specific marketing objectives that provide direction, a time frame for marketing activities, and a mechanism for measuring performance.
  3. A marketing strategy and programme that include selection of target market(s) decisions and plans for the four elements of the marketing mix.
  4. A programme for implementing the marketing strategy, including determining specific tasks to be performed and responsibilities.
  5. A process for monitoring and evaluating performance and providing feedback so that proper control can be maintained and any necessary changes made in the marketing strategy or tactics.
- A promotional programme is an integral part of the marketing strategy. It will give an idea of the role of advertising and other promotional mix element will play in the overall marketing programme.

### **Step 2. Promotional Programme Situational Analysis:**

The next step in developing promotional plan is to conduct the situation analysis. A situation analysis involves the internal analysis and external analysis. Internal analysis assesses relevant area involving the product/service offering and the firm itself.

The capabilities of the firm and its ability to develop and implement a successful promotional programme, the organization of promotional department and the success and failures of past programmes are reviewed.

The analysis studies the relative advantages and disadvantages of performing the promotional functions. For example, the internal analysis may indicate the firm is not capable of planning, implementing and managing certain areas of the promotional programme.

If this is the case, it would be wise to look for assistance from an advertising agency or some other promotional facilitator. If the organization is already using an advertising agency, the focus will be on the quality of the agency's work and the results achieved by past and/current campaigns.

The other aspect of internal analysis is assessing the strengths and weaknesses of the firm or the brand from an image perspective. Often, the image of the firm brings to the market will have a significant impact on its promotional programme.

Another aspect of the internal analysis is the assessment of the relative strengths and weaknesses of the product or service in comparison to its competitors, unique selling points or benefits it has, its price, design, packaging to help the creative personnel to develop advertising message for the brand.

External analysis focuses its attention on the firm's customers, market segments, positioning strategies, and competitors. An important part of the external analysis is a detailed consideration of customers in terms of their characteristics and buying patterns, their decision processes, and factors influencing their purchase decisions.

Attention must also be given to consumer's perceptions and attitudes, lifestyles, and criteria used in making purchase decisions often. Marketing research studies are necessary to answer some of these questions.

A key element of the external analysis is an assessment of the market. The attractiveness of various market segments must be evaluated and the decision made as to which segment (s) to target. Once the target markets are chosen, the emphasis will be on determining how the product should be positioned? What image or place should it have in consumers' minds?

The external phase of the promotional programme situation analysis also includes an in depth examination of both direct and

indirect competitors. While competitors were analyzed in the overall marketing situation analysis, even more attention is devoted to promotional aspects at this phase.

Focus is on the firm's primary competitors; their specific strengths and weaknesses; their segmentation, targeting and positioning strategies; and the promotional strategies they employ. The size and allocation of their promotional budgets, their media, strategies, and the messages they are sending to the market place should also be considered.

### **Step 3. Analysis of Communication Process:**

This stage involves to know how the company can effectively communicate with consumers in its target market. It involves the communication decision regarding the use of various sources, messages and channel factors. It involves the analysis of effects of various types of advertising messages might have on consumers and whether they are appropriate for the product or brand.

An important part of this stage of the promotional planning process is establishing communication goals and objectives. Communication objectives refer to what the firm wants to accomplish with its promotional programmes Russel Colley have identified 52 possible advertising objectives.

The communication objectives may include creating awareness or knowledge about a product and its attributes or benefits, creating an image or developing favorable attitudes, preferences or purchase intentions.

### **Step 4. Budget Determination:**

In budget determination, the two basic questions that should be asked includes what will the promotional programme's cost? How will these funds be allocated? Budget determination procedure involves selecting the various budgeting approaches and integrating them. At this stage, the budget is often tentative. It may not be finalized until specific promotional mix strategies are developed.

### **Step 5. Developing the Integrated Marketing Communications Programme:**

At this stage, decisions are made regarding the role and importance of each element and their coordination with one another. Each promotional mix element has its own set of objectives and a budget and strategy for meeting them.



Decisions must be made and activities performed to implement the promotional programmes. Procedures are developed for evaluating performance and making any necessary changes.

Two important aspects of advertising programme are the development of the message and media strategy. Message development, often referred to as creative strategy, involve determining the basic appeal and message the advertiser wishes to convey to the target audience.

Media strategy involves determining which communications channels will be used to deliver the advertising message to the target audience. Decisions must be made regarding which types of media will be used (e.g., Newspapers Magazines, Radio, Television, bill boards etc.) as well as specific media selections such as a particular magazines or TV programme.

This task requires careful evaluation of the media options' advantages and limitations, costs, and ability to deliver the message effectively to the target market.

Once the message and media strategies have been determined, steps must be taken to implement them. Most large companies hire advertising agencies to plan and produce their messages and to evaluate and purchase the media that will carry their advertisement.

However, most agencies work very closely with their clients as they develop the advertisements and select media, because it is the advertiser that ultimately approves (and pays for) the creative work and media plan.

#### **Step 6. Mentoring, Evaluation and Control:**

This stage determines how well the promotional programme is meeting communication objectives and helping the firm accomplish its overall marketing objectives. This stage is designed to provide managers with continual feedback concerning the effectiveness of the promotional programme which is used as input to subsequent promotional planning and strategy development.

---

### **1.5 ROLE OF ADVERTISING IN IMC**

---

Advertising is one of the important elements of integrated marketing communication. It's the part that involves getting the word out concerning your business, product, or the services you are offering. Advertising and marketing are key elements in a company's success. One cannot be used without the other.

This essentially is charged with having a product or service and creating a need or a perceived desire of the consumer to buy it. The message is designed to create awareness that the product exists, how it will be of value to the consumer or make their lives easier because they have it and explain why they should buy it immediately.

This only equals one piece of the pie in the strategy. All of these elements must not only work independently but they also must work together towards the bigger goal. In today's oversaturated, fragmented media landscape, word-of-mouth marketing remains a cost-effective part of many advertisers' marketing mix. Advertising is to "display" one's wares. It is entirely passive.

It is a single aspect of marketing, which involves spreading the word about a business, product, or service offered to the public. Strategy is definitely a key part here, as there are many avenues to use. Advertising can serve for marketing well if it is suitable for the marketing strategy. It is a way to marketing the products or service of a company. Advertising is one of the keys to a successful business.

It isn't what it used to be. Media has changed dramatically. Advertising builds brand awareness, which builds trust and credibility. Of course, that translates to more purchases.

Advertising and promotions managers may travel to meet with clients or representatives of communications media. At times, public relations managers travel to meet with special-interest groups or government officials. It reaches people through varied types of mass communication. In everyday life, people come into contact with many different kinds of advertising.

Advertising Trojans make clandestine connections to ad servers behind your back, consume precious network bandwidth and may compromise the security of your data. The latest versions of these "ad-viruses" operate in full stealth and are nearly impossible to detect without advanced knowledge of the system environment.

---

## **1.6 SUMMARY**

---

With the development of technologies and the increased popularity of social networks, integrated marketing communication has moved from telling and selling approach to one of listening and learning. Integrated marketing communication saves time which is often lost in figuring out the best marketing tool.

The use of IMC tools for sustainability enables a business to create the product consumption value, i.e., sufficient information for consumers and the need for sustainable products, deliberate and well- through- out buying decisions, buying, etc. Integrated marketing communication goes a long way in creating brand awareness among customers at a minimal cost.

Integrated marketing communication plays an integral role in communicating brand message to a larger audience. From the forgoing it can be adjudged that Integrated Marketing Communication is a basic necessity in the business of establishing and maintaining a brand. Integrated Marketing Communication involves combining tools or elements used to communicate a brand to the public.

In communicating the attributes of a brand, an integrated approach is imperative. Therefore, an organization that wants to achieve brand awareness must without fail integrate their communication process. Integrated marketing communication scores over traditional ways of marketing as it focuses on not only winning new customers but also maintaining long term healthy relationship with them.

---

## 1.7 EXERCISE

---

### **(A) QUIZ TIME (check your progress)**

1. As marketers embraced the concept of integrated marketing communications, they began to rely primarily on media advertising. **(TRUE or FALSE)**
2. The integrated marketing communications approach calls for a centralized messaging function so that everything a company says and does communicates a common theme and positioning. **(TRUE or FALSE)**
3. The goal of integrated marketing communications (IMC) is to generate both short-term financial returns and build long-term brand and shareholder value. **(TRUE or FALSE)**
4. The non-personal nature of advertising means that there is generally ample opportunity for immediate feedback from the message recipient. **(TRUE or FALSE)**
5. An advantage of publicity over other forms of promotion is its credibility. **(TRUE or FALSE)**
6. The first step in the IMC\ planning process is to review the marketing plan and objectives. **(TRUE or FALSE)**

7. According to the American Marketing Association's definition of marketing, which of the following statements is true?
  - A) Most marketers are seeking a one-time exchange or transaction with their customers.
  - B) The focus of production- driven companies is on developing and sustaining relationships with their customers.
  - C) Successful companies recognize that creating and delivering value to their customers is extremely important.
  - D) Though marketing plays an important role in developing relationships with customers, it does not help in maintaining them.
  - E) By definition, a marketing transaction has to involve the exchange of money.
  
8. The process of assimilating mass-media advertisements with other promotional elements such as direct marketing, public relations, and sales promotion is known as
  - A) Media fragmentation.
  - B) Micromarketing.
  - C) Integrated Marketing Communications.
  - D) Social Media
  - E) Digital Advertising
  
9. The primary goal of an integrated marketing communications program is to
  - A.) Have a company's entire marketing and promotional activities project a consistent, unified image to its customers.
  - B.) Control all facets of a product's distribution.
  - C.) Communicate with customers primarily through mass-media advertising.
  - D.) Have complete control over all the channel partners in the distribution channel and to slow down the rate of diffusion of a new product among the customers.
  - E.) Create a strong distribution network, via marketing, that is capable of destabilizing any competition.
  
10. The best-known and most widely discussed form of promotion is
  - A.) Personal Selling.
  - B.) Sales Promotion.
  - C.) Direct Marketing.
  - D.) Advertising.
  - E.) Publicity/Public Relation.
  
11. \_\_\_\_\_ is a tool of direct marketing that is used to call customers directly and attempts to sell them products and services or qualify them as sales leads.
  - A.) Bait advertising
  - B.) Buzz marketing

- C.) Telemarketing
- D.) Switch marketing
- E.) B2B marketing

12. \_\_\_\_\_ includes those marketing activities that provide extra value or incentives for purchasing a product, such as coupons and premiums.

- A.) Direct Marketing
- B.) Advertising
- C.) Public Relations
- D.) Sales Promotion
- E.) Publicity

13. Sales promotions targeted at the ultimate users of a product, such as sampling, coupons, contests, or sweepstakes, are part of \_\_\_\_\_.

- A.) Consumer-oriented Sales Promotion.
- B.) Trade-oriented Sales Promotion.
- C.) Buzz Promotion.
- D.) Bait-and-Switch Sales Promotion.
- E.) Channel-initiated Sales Promotion.

14. \_\_\_\_\_ refers to non-personal communication regarding an organization, product, service, or idea not directly paid for or run under identified sponsorship.

- A.) Advertising
- B.) Sales Promotion
- C.) Publicity
- D.) Public Relations
- E.) Telemarketing

15. When an organization systematically plans and distributes information in an attempt to control and manage its image and the nature of the publicity it receives, it is engaging in a function known as

- A.) Buzz Marketing.
- B.) Reactive disinformation.
- C.) Bait-and-switch Marketing.
- D.) Public Relations.
- E.) Sales Promotion.

### **(B) THEORY QUESTIONS**

- Q.1) Define Integrated Marketing Communication (IMC).
- Q.2) State the main tools of Integrated Marketing Communication.
- Q.3) State the importance of Integrated Marketing Communication.
- Q.4) What are the steps involved in framing Integrated Marketing Communication?

**SOLUTION to the QUIZ:**

1. As marketers embraced the concept of integrated marketing communications, they began to rely primarily on media advertising.

**FALSE**

**As marketers embraced the concept of integrated marketing communications, they began asking their ad agencies to coordinate the use of a variety of promotional tools rather than relying primarily on media advertising. A number of companies also began to look beyond traditional advertising agencies and use other types of promotional specialists.**

2. The integrated marketing communications approach calls for a centralized messaging function so that everything a company says and does communicates a common theme and positioning.

**TRUE**

**The integrated marketing communications approach seeks to have all of a company's marketing and promotional activities project a consistent, unified image to the marketplace. It recognizes that every customer interaction with a company or brand across a host of contact points represents an opportunity to deliver on the brand promise, strengthen customer relationships, and deepen loyalty.**

3. The goal of integrated marketing communications (IMC) is to generate both short-term financial returns and build long-term brand and shareholder value.

**TRUE**

**Integrated marketing communications is a strategic business process used to plan, develop, execute, and evaluate coordinated, measurable, persuasive brand communications programs overtime with consumers, customers, prospects, employees, associates, and other targeted relevant external and internal audiences. The goal is to generate both short-term financial returns and build long-term brand and shareholder value.**

4. The non-personal nature of advertising means that there is generally ample opportunity for immediate feedback from the message recipient.

**FALSE**

**The non-personal nature of advertising means that there is generally no opportunity for immediate feedback from the message recipient (except in direct-response advertising). Therefore, before the message is sent, the advertiser must consider how the audience will interpret and respond to it.**

5. An advantage of publicity over other forms of promotion is its credibility.

**TRUE**

**Consumers generally tend to be less\ sceptical toward favourable information about a product or service when it comes from a source they perceive as unbiased.**

6. The first step in the IMC\ planning process is to review the marketing plan and objectives.

**TRUE**

**The first step in the IMC planning process is to review the marketing plan and objectives. Before developing a promotional plan, marketers must understand where the company (or the brand) has been, its current position in the market, where it intends to go, and how it plans to get there.**

7. According to the American Marketing Association's definition of marketing, which of the following statements is true?

A.) Most marketers are seeking a one-time exchange or transaction with their customers.

B.) The focus of production- driven companies is on developing and sustaining relationships with their customers.

**C.) Successful companies recognize that creating and delivering value to their customers is extremely important.**

D.) Though marketing plays an important role in developing relationships with customers, it does not help in maintaining them.

E.) By definition, a marketing transaction has to involve the exchange of money.

8. The process of assimilating mass-media advertisements with other promotional elements such as direct marketing, public relations, and sales promotion is known as

A) Media fragmentation.

B) Micromarketing.

**C) Integrated Marketing Communications.**

D) Social Media

E) Digital Advertising

9. The primary goal of an integrated marketing communications program is to

**A.) Have a company's entire marketing and promotional activities project a consistent, unified image to its customers.**

B.) Control all facets of a product's distribution.

C.) Communicate with customers primarily through mass-media advertising.

D.) Have complete control over all the channel partners in the distribution channel and to slow down the rate of diffusion of a new product among the customers.

E.) Create a strong distribution network, via marketing, that is capable of destabilizing any competition.

10. The best-known and most widely discussed form of promotion is

A.) Personal Selling.

B.) Sales Promotion.

C.) Direct Marketing.

**D.) Advertising.**

E.) Publicity/Public Relation.

11. \_\_\_\_\_ is a tool of direct marketing that is used to call customers directly and attempts to sell them products and services or qualify them as sales leads.

A.) Bait advertising

B.) Buzz marketing

**C.) Telemarketing**

D.) Switch marketing

E.) B2B marketing

12. \_\_\_\_\_ includes those marketing activities that provide extra value or incentives for purchasing a product, such as coupons and premiums.

A.) Direct Marketing

B.) Advertising

C.) Public Relations

**D.) Sales Promotion**

E.) Publicity

13. Sales promotions targeted at the ultimate users of a product, such as sampling, coupons, contests, or sweepstakes, are part of \_\_\_\_\_.

**A.) Consumer-oriented Sales Promotion.**

B.) Trade-oriented Sales Promotion.

C.) Buzz Promotion.



- D.) Bait-and-Switch Sales Promotion.
- E.) Channel-initiated Sales Promotion.

14. \_\_\_\_\_refers to non-personal communication regarding an organization, product, service, or idea not directly paid for or run under identified sponsorship.

- A.) Advertising
- B.) Sales Promotion
- C.) Publicity**
- D.) Public Relations
- E.) Telemarketing

15. When an organization systematically plans and distributes information in an attempt to control and manage its image and the nature of the publicity it receives; it is engaging in a function known as

- A.) Buzz Marketing.
- B.) Reactive disinformation.
- C.) Bait-and-switch Marketing.
- D.) Public Relations.**
- E.) Sales Promotion.



## ADVERTISING

### Unit Structure:

- 2.0 Objectives
- 2.1. Introduction to Advertising
- 2.2. Features
- 2.3. Evolution of Advertising
- 2.4. Active Participants
- 2.5. Importance of Advertising
- 2.6. Conclusion
- 2.7. Exercise

---

### 2.0 OBJECTIVES

---

After studying the unit the students will be able:

- To understand the basic concepts of advertising by learning it's characteristics, objectives and types.
- To study the various features and active participants of advertising
- To study the evolution of advertising and its role in marketing mix
- To learn the advantages and importance of advertising to a business firm and the consumers
- To study the classification of advertising based on different aspects

---

### 2.1. INTRODUCTION TO ADVERTISING

---

#### 2.1.1 Meaning and Definition

Advertising is the action of calling public attention to an idea, good, or service through paid announcements by an identified sponsor.

Advertising involves paying to widely spread a message that identifies a brand (product or service) or an organization being promoted to many people at one time. The typical media that organizations utilize for advertising includes television, magazines, newspapers, the Internet, direct mail, and radio. Businesses are also advertising on social media such as Facebook, blogs, Twitter, and mobile devices. Each medium (television or magazines or mobile phones) has different advantages and disadvantages.

According to Kotler –

**“Advertising is any paid form of non-personal presentation & promotion of ideas, goods, or services by an identified sponsor.”**

According to the Advertising Association of the UK –

**“Advertising is any communication, usually paid-for, specifically intended to inform and/or influence one or more people.”**

A simpler (and modern) definition of advertising can be –

**“A paid communication message intended to inform people about something or to influence them to buy or try something.”**

For example, mobile phones provide continuous access to people on the go although reception may vary in different markets. Radios, magazines, and newspapers are also portable. People tend to own more than one radio, but there are so many radio stations in each market that it may be difficult to reach all target customers. People typically are doing another activity (e.g., driving or studying) while listening to the radio, and without visuals, radio relies solely on audio. Both television and radio must get a message to consumers quickly. Although many people change channels or leave the room during commercials, television does allow for demonstrations. In an effort to get attention, advertisers have changed the volume for television commercials for years.

### **2.1.2 CHARACTERISTICS OF ADVERTISING**

- **Paid Form:** Advertising requires the advertiser (also called sponsor) to pay to create an advertising message, to buy advertising media slot, and to monitor advertising efforts.
- **Tool for Promotion:** Advertising is an element of the promotion mix of an organization.
- **One Way Communication:** Advertising is a one-way communication where brands communicate to the customers through different mediums.
- **Personal or Non-Personal:** Advertising can be non-personal as in the case of TV, radio, or newspaper advertisements, or highly personal as in the case of social media and other cookie-based advertisements.

### **2.1.3 OBJECTIVES:**

There are three main objectives of advertising. These are:

1. **To Inform:** Advertisements are used to increase brand awareness and brand exposure in the target market. Informing potential customers about the brand and its products is the first step towards attaining business goals.
2. **To Persuade:** A persuading customer to perform a particular task is a prominent objective of advertising. The tasks may involve buying or trying the products and services offered, to form a brand image, develop a favourable attitude towards the brand etc.
3. **To Remind:** Another objective of advertising is to reinforce the brand message and to reassure the existing and potential customers about the brand vision. Advertising helps the brand to maintain top of mind awareness and to avoid competitors stealing the customers. This also helps in the word of mouth marketing.

Other objectives of advertising are subsets of these three objectives. Advertising plays role in marketing process to achieve followings things:

4. **Brand Positioning:** It helps in shaping or improving the image and perception that people have about the brand.
5. **To Remind Audience:** To make people recall the brand in case they have forgotten or to instil the brand's name in people's mind further.
6. **To Excite or Create a Need:** Advertising displays tempting, exciting or compelling content that makes people crave for the product. It's also used to generate a need by telling people that they need the product or service.
7. **To Generate Awareness:** It helps in making people aware of the brand in case it is new or not too popular brand.
8. **To Increase Outreach:** It helps in spreading the word about the brand by creating a quality and viral content through Advertising.

With the development of technologies and the increased popularity of social networks, integrated marketing communications have moved from the telling and selling approach to one of listening and learning. With the development of technologies and the increased popularity of social networks, integrated marketing communications have moved from the telling and selling approach to one of listening and learning with the development of technologies and the increased popularity of social networks,

integrated marketing communications have moved from the telling and selling approach to one of listening and learning.

#### 2.1.4 TYPES OF ADVERTISING

Advertising activities can be categorized into above the line, below the line, and through the line advertising according to their level of penetration.

Above the line advertising include activities that are largely non-targeted and have a wide reach. Examples of above the line advertising are TV, radio, & newspaper advertisements.

Below the line advertising include conversion focused activities which are directed towards a specific target group. Examples of below the line advertising are billboards, sponsorships, in-store advertising, etc.

Through the line advertising include activities which involve the use of both ATL & BTL strategies simultaneously. These are directed towards brand building and conversions and make use of targeted (personalized) advertisement strategies. Examples of through the line advertising are cookie based advertising, digital marketing strategies, etc.

Advertising activities can also be categorized into 5 types based on the advertisement medium used. These types of advertisements are:

**Print Advertising:** Newspaper, magazines, & brochure advertisements, etc.

**Broadcast Advertising:** Television and radio advertisements.

**Non-broadcast:** Cinema, CCTV, local cable TV, etc.

**Outdoor Advertising:** Hoardings, banners, flags, wraps, etc.

**Transit or vehicular:** Railways, Public transport buses and Tramps, etc.

**The point of purchase:** Hangings on stores, Banners, Pamphlets, Stickers, Window Display, Painted signs, etc.

**Digital Advertising:** Advertisements displayed over the internet and digital devices.

**Product/Brand Integration:** Product placements in entertainment media like TV show, YouTube video, etc.

**Specialty media:** Calendars, T-shirts, badges, caps, keychains, Diaries, etc.

**Virtual media:** Online Blogs, forums, social media websites, email ads, etc.

**Miscellaneous:** Direct mail advertising, Trolleys at the airport, Carts in departmental stores, etc.

---

## 2.2 FEATURES OF ADVERTISING

---

Advertising is the art of influencing human action and awakening of a desire to possess products and services. It is a mass persuasion activity duly sponsored by the manufacturer, retailer, or dealer for whom the advertising is done.

Following are the key features of advertising:

1. **Provides information:** Advertising's primary purpose is to provide information about products or services to the prospective buyers. The details of products such as features, uses, prices, benefits, manufacturer's name, so on; are in the advertisements. The key message and brand name are also there. The information supplied educates and guide consumers and facilitate them to make a correct choice while buying a product.
2. **Payment of Money:** One of the features of advertising is to pay the money for the advertising. Advertisement appear in the newspapers, magazines, televisions, cinema screens and website search engine pages because the advertiser has purchased some time/ space to communicate information to the potential customers. The advertiser must pay money for the advertising activities. He also decides the size, slogan, etc. given in the advertisement. Advertising is always a paid form of communication and hence commercial in nature. Thus, advertising can clarify be distinguished from publicity which is not paid for by the sponsor.
3. **Non-personal presentation:** Advertising is non-personal in character as against salesmanship, which is a personal or face to face communication. Here, the message is given to all and not to one specific individual. This rule is applicable to all media including the press. However, even in it, target consumers or target market can be selected for making an AD appeal.
4. **Publicity:** Advertising publicizes goods, services, ideas and event events. It is primarily for giving information to consumers. This information is related to the features and benefits of goods and services of different types. It offers new ideas to customers as its contents are meaningful. The aim is to make the popularize ideas and thereby promote sales. For example, an advertisement for family planning, family welfare, and life insurance is useful for placing new ideas before the people.
5. **Primarily for Persuasion:** Advertising aims at the persuasion of potential customers. It attracts attention towards a particular product, creates a desire to have it, and finally induces consumers to visit the market and purchase the same. It has a psychological impact on consumers. It influences their buying decisions.
6. **Target oriented:** Advertising becomes effective and result-oriented when it is target oriented. A targeted advertisement intensively

focuses on a specific market or particular groups of customers (like teenagers, housewives, infants, children, etc.). Here, the selection of a particular market is called a target market.

7. **Art, science and profession:** Advertising is art, science and a profession, and this is now universally accepted. It is an art as it needs creativity for raising its effectiveness. It is a science as it has its principles or rules. It is also a profession as it has a code of conduct for its members and operates within standards set by its organized bodies. In its field, AD Agencies and space brokers function as professionals.
8. **The element of a marketing mix:** Advertising is an important part of a marketing mix. It supports the sales promotion efforts of the manufacturer. It makes a positive contribution to sales promotion provided other elements in the marketing mix are reasonably favourable. It is alone inadequate for promoting sales. Many companies now spend huge funds on advertisements and public relations.
9. **Creativity:** Advertising is a method of presenting a product in an artistic, attractive and agreeable manner. It is possible through the element of creativity. The creative people (professionals) introduce creativity in advertisements. Without it, the Ads won't succeed. Therefore, creativity is called the 'Essence of Advertising.'

---

## 2.3 EVOLUTION OF ADVERTISING

---

In the ancient and medieval world such advertising as existed was conducted by word of mouth. The first step toward modern advertising came with the development of printing in the 15th and 16th centuries. In the 17th century, weekly newspapers in London began to carry advertisements, and by the 18th century such advertising was flourishing.

The great expansion of business in the 19th century was accompanied by the growth of an advertising industry; it was that century, primarily in the United States, that saw the establishment of advertising agencies. The first agencies were, in essence, brokers for space in newspapers. But by the early 20th century agencies became involved in producing the advertising message itself, including copy and artwork, and by the 1920s agencies had come into being that could plan and execute complete advertising campaigns, from initial research to copy preparation to placement in various media.

Advertising developed in a variety of media. Perhaps the most basic was the newspaper, offering advertisers large circulations, a readership located close to the advertiser's place of business, and the opportunity to alter their advertisements on a frequent and regular basis. Magazines, the other chief print medium, may be of general interest or they may be aimed at specific audiences (such as people interested in

outdoor sports or computers or literature) and offer the manufacturers of products of particular interest to such people the chance to make contact with their most likely customers. Many national magazines publish regional editions, permitting a more selective targeting of advertisements. In Western industrial nations television and radio became the most pervasive media. Although in some countries radio and television are state-run and accept no advertising, in others advertisers are able to buy short “spots” of time, usually a minute or less in duration. Advertising spots are broadcast between or during regular programs, at moments sometimes specified by the advertiser and sometimes left up to the broadcaster. For advertisers the most important facts about a given television or radio program are the size and composition of its audience. The size of the audience determines the amount of money the broadcaster can charge an advertiser, and the composition of the audience determines the advertiser's choice as to when a certain message, directed at a certain segment of the public, should be run. The other advertising media include direct mail, which can make a highly detailed and personalized appeal; outdoor billboards and posters; transit advertising, which can reach the millions of users of mass-transit systems; and miscellaneous media, including dealer displays and promotional items such as matchbooks or calendars.

In the 21st century, with an intensely competitive consumer market, advertisers increasingly used digital technology to call greater attention to products. In 2009, for example, the world's first video advertisements to be embedded in a print publication appeared in *Entertainment Weekly* magazine. The thin battery-powered screen implanted in the page could store up to 40 minutes of video via chip technology and automatically began to play when the reader opened the page.

For an advertisement to be effective, its production and placement must be based on a knowledge of the public and a skilled use of the media. Advertising agencies serve to orchestrate complex campaigns whose strategies of media use are based on research into consumer behaviour and demographic analysis of the market area. A strategy will combine creativity in the production of the advertising messages with canny scheduling and placement, so that the messages are seen by, and will have an effect on, the people the advertiser most wants to address. Given a fixed budget, advertisers face a basic choice: they can have their message seen or heard by many people fewer times, or by fewer people many times. This and other strategic decisions are made in light of tests of the effectiveness of advertising campaigns.

There is no dispute over the power of advertising to inform consumers of what products are available. In a free-market economy effective advertising is essential to a company's survival, for unless consumers know about a company's product they are unlikely to buy it. In criticism of advertising it has been argued that the consumer must pay for the cost of advertising in the form of higher prices for goods; against



this point it is argued that advertising enables goods to be mass marketed, thereby bringing prices down. It has been argued that the cost of major advertising campaigns is such that few firms can afford them, thus helping these firms to dominate the market; on the other hand, whereas smaller firms may not be able to compete with larger ones at a national level, advertising at the local level or online enables them to hold their own. Finally, it has been argued that advertisers exercise an undue influence over the regular contents of the media they employ—the editorial stance of a newspaper or the subject of a television show. In response it has been pointed out that such influence is counteracted, at least in the case of financially strong media firms, by the advertiser's reliance on the media to convey a message; any compromise of the integrity of a media firm might result in a smaller audience for the advertising.

---

## 2.4 ACTIVE PARTICIPANTS IN ADVERTISING:

---

Participants are individuals/ organizations that are actively involved in advertising.

### Advertisers

- **Sellers of the product.** They make final decisions about target audience, ad campaign duration, ad budget, advertising media, etc.

Example: Advertisers like Nike, Pepsi, MRF, and Nestle are clients of JWT.

### Advertising Agencies

An advertising agency is a third party organization of creative people who plan, prepare, and place ads in advertising media so that sellers can reach to customers for their goods and services.

Example: JWT is a leading Indian advertising agency.

### Audience

**Recipients of ads.** It includes readers, listeners, or viewers, depending on the medium used.

Example: For Nestle, the audience included people from age group of 5 to 60 years, as they have products across all age groups.

### Advertising Media

Communication channels through which ads are transmitted to the audience.

Example: Popular media include newspapers, television, radio, posters, and billboards.

### Advertising Production Firms

Companies that convert the concept of an ad into a finished form. Such firms include artists, photographers, typographers, copywriters, producers, and layout designers.

### Government Authorities

Government laws and regulations may directly or indirectly affect advertising.

Example: Ads of liquor and tobacco products are not allowed on mass media advertising platforms such as TV and radio.

### Advertising Production People (Artsits)

The production of impressive and persuasive advertisements is possible only with the active help and creative spirit of the artists like copywriters, artists, photographers, typographers, layout designers, editors and such other creative people. Such people are usually employed by the ad agencies or, their services may be hired by the ad agencies on job basis.

### Mass Media

Mass media refers to tactics like television ads, radio ads, and blimp ads. It requires pretty much zero customer involvement; all that it asks for the customer to do is to listen. Social media marketing can also be used for mass media purposes.

1. **Advertiser:** The advertiser can be any firm, individual, Government or social organization who wants to advertise their products, services or highlight any social issues or ideas to general public to raise their awareness levels and promote their products and ideas. This group also includes retailers as they also display various products in their shops for selling them to the customers.
2. **Target Audience:** Target audience refers to the desired audience to whom a manufacturer wants to target for promoting and selling his products. Target audience may include only a particular segment of customers or mass audience. Through advertising, that manufacturer tries to arouse interest in its desired audience so that they get attracted towards his products and ultimately get persuaded to buy them. Thus, the target audience refers to the recipient of the messages advocated by the advertisements.
3. **Advertising Agencies:** Advertising agencies consist of highly creative and professionalized people who are entrusted with the task of designing, developing and producing ads and showing and printing them through appropriate media i.e. T.V., magazines, newspapers, radio, publications, etc. These agencies are service based business and so charge their clients for producing and popularizing their products, services or ideas amongst masses through advertisements. Advertising agencies are creative teams consisting of layout designers, editors, photographers, copywriters, artists, etc. These agencies even undertake market research on behalf of their clients. In short, advertising agencies are the medium through which a firm, individual, social or Government organization can promote and communicate about its goods, services and ideas amongst the masses.
4. **Advertising Production People:** Advertising production people comprise of all those who are directly or indirectly concerned with production and development of advertisements. Attractive and persuasive advertisements are a result of the collective efforts put in by layout designers, editors, photographers, copywriters, artists, etc., who comprise the advertising production people. These people are

employed by ad agencies or their services are hired by ad agencies for carrying out the functions of designing and producing ads. It requires a high degree of creativity, skills and talent on the part of these people to plan and develop an advertisement that would spread the message of the advertisement effectively amongst the masses.

5. **Target Audience (Readers, Listeners, Viewers and Present and Future Buyers):** The target audience comprise of the readers, listeners, viewers and present and future buyers who are the recipients of the messages given by advertisements about any product, service or idea. The target audience can be grouped into three groups as follows: a) Consumers who are loyal to a particular brand and through advertisements they are persuaded to stick to the brand. b) Consumers who are loyal to a competitor's brand and so through advertisements they are persuaded to switch to the brand advertised by highlight its better features, usage and benefits as compared to its competitor's brand. c) Consumers who do not use any such product which is advertised. Thus, they too, are persuaded to buy the advertised product and gain benefits out of it.
  
6. **Mass Media:** Mass media includes T.V, newspapers, radio, magazines, publications, internet, websites, etc through which the advertising messages are to be highlighted and communicated to the masses. Depending on the type of the advertising message and the target audience, an appropriate medium for communicating the message is to be chosen by the advertising agencies. The main elements of mass media are listed as follows:
  - (a) **Print Media:** It includes those sources which print and publish the advertising messages. Print media comprises of newspapers, magazines, publications, journals, etc.
  
  - (b) **Electronic Media:** People can even obtain information about various products, services and ideas through electronic media which includes internet, ads shown on television, radio, multimedia, etc.
  
  - (c) **Outdoor Media:** Outdoor media consists of neon signs, billboards, posters, hoardings, air balloons, handbills, etc.
  
  - (d) **Direct Mail:** Advertising messages can even be communicated directly to the target audience by sending them letters, brochures, pamphlets, leaflets, etc.
  
7. **Government Authorities:** The advertising field is bound with certain well defined norms, standards and code of conduct laid down by various advertising regulating authorities. All advertising firms are bound to function within these standards and norms. The

Government frames various laws and regulations which all advertising firms are required to follow. In India, advertising regulating authorities include, The Advertising Standards Council of India (ASCI) and Audit Bureau of Circulation (ABC).

8. **Advertising Production Firms:** As the name suggests, advertising production firms are engaged with production and development of advertisements. By securing the collective help and creativity of the advertising production people, these firms produce advertisements of their clients. The advertising production firm is responsible for planning, designing, and producing a final ad to transmit the advertising effectively amongst the masses.

---

## 2.5 IMPORTANCE OF ADVERTISING

---

Advertising plays a very important role in today's age of competition. Advertising is one thing which has become a necessity for everybody in today's day to day life, be it the producer, the traders, or the customer. Advertising is an important part. Let's have a look on how and where is advertising important:

### 2.5.1 ROLE OF ADVERTISING IN MARKETING MIX

Advertising technically lies within the "Promotion" part of the Marketing Mix, but it applies to all the other "P's" as well. Promoting your business is one of the key ingredients to making your business successful. Promotion, along with a great product, key placement, and an affordable price, will help you work your way to the top.

Promoting yourself does not mean leaving your advertising up to the word of mouth of your current customer. Word of mouth is not technically a form of advertising for a business because advertising is supposed to help your business. With word of mouth there are a few things you can't control, such as:

- (i) You can't control what is said about your company
  - (ii) You can't control when your company is being talked about
  - (iii) You can't control the accuracy of information given to others.
- Not being able to control these things may lead to the downfall of your company.

Taking control of these three things is very important when it comes to the success of your business. That is why there is advertising made by your company for your company. Whether you choose a flyer, brochure, commercial, paper ad, or a website, getting your name out there in a good light, at the appropriate time and with correct information is the key to helping your business succeed.

The variables of marketing mix that are affected by advertising are:

**(a) Advertising and Product:** A product is normally a set of physical elements, such as quality, shape, size, colour and other features. The product may be of very high quality. At times, the product is so designed that it requires careful handling and operations. Buyers must be informed and educated on the various aspects of the product. This can be effectively done through advertising. So, advertising plays the role of information and education.

**(b) Advertising and Price:** The price is the exchange value of the product. A marketer may bring out a very high quality product with additional features as compared to competitors. In that case, price would be definitely high, but buyers may not be willing to pay. This is where advertising comes in. Advertising can convince buyers regarding the superiority of the brand and thus its value for money. This can be done by associating the product with prestigious people, situations, or events. Alternatively, when a firm offers a low price product the job of advertising needs to stress the price advantage by using hard- hitting copy. It is not just enough to convince the buyer, but it is desirable to persuade the buyers. In essence, advertising plays the role of conviction and persuasion.

**(c) Advertising and Place:** Place refers to physical distribution and the stores where the goods are available. Marketer should see to it that the goods are available at the convenient place and that too at the right time when the buyers need it. To facilitate effective distribution and expansion of market, advertising is very important. Effective advertising helps in effective product distribution and the market expansion.

**(d) Advertising and Promotion:** Promotion consists of advertising, publicity, personal selling and sales promotion technique. Business people today have to face a lot of competition. Every seller needs effective promotion to survive and succeed in this competitive business world. Advertising can play a significant role to put forward the claim of seller, and to counter the claims of competitor. Through effective advertising, sellers can face competition and also help to develop brand image and brand loyalty.

**(e) Advertising and Pace:** Pace refers to the speed in marketing decisions and actions. It involves among other things the launch of new products or brand variations at greater speed than before. When new brands are launched, advertising plays an important role of informing, educating and persuading the customers to buy the product.

**(f) Advertising and Packaging:** The main purpose of packaging is protecting of the product during transit, and preservation of quality and quantity. Today, marketers make a lot of effort to develop and design attractive packages as they carry advertising value. A creatively designed

package attracts the attention of customers. It also carries an assurance of quality and creates confidence in the minds of customers to buy the product.

**(g) Advertising and Positioning:** Product positioning aims at creating and maintaining a distinct image of the brands in the minds of the customers. Through advertising the marketer can convey the positioning of the brand and accordingly can influence the buying decision of the target audience.

Thus, we can conclude by saying, advertising is an essential part of the marketing mix and is used to promote sales, to introduce new products, to create a good public image for a company, assist in large scale of production of products, and for educating people about a new product.

### **2.5.2 Benefits of Advertising to the Business Firms**

There are number of advantages of advertising and without advertising today it has become hard to market your product. Advertising is an art of influencing the customers through paid non personnel presentation to purchase and possess a product. It is possible to formulate the definition of advertising as an instrument of marketing communication oriented to the dissemination of information with the aim of attracting customers to the goods and services of the company.

Thus, advertising has the following **advantages/ benefits to a business firm:**

1. **Awareness:** Advertising increases the brand and product awareness among the people belonging to the target market.
2. **Brand Image:** Clever advertising helps the business to form the desired brand image and brand personality in the minds of the customers.
3. **Product Differentiation:** Advertising helps the business to differentiate its product from those of competitors' and communicate its features and advantages to the target audience.
4. **Increases Goodwill:** Advertising reiterates brand vision and increases the goodwill of the brand among its customers.
5. **Value for Money:** Advertising delivers the message to a wide audience and tends to be value for money when compared to other elements of the promotion mix.

### **2.5.3 Benefits of Advertising to the Customers**

Advertising not only benefits the producers and traders but benefits the customer as well. Advertising provides awareness of the existence of the product to the customer. Customer satisfaction is of immense priority in modern marketing and the importance of advertising can't be ignored as such. The importance of advertising to customers can be discussed under the following sub-head:

1. **Convenience:** When we know that we have to buy the product of a particular brand name, we shall not waste our time in searching out for the best one. We can make a choice even before we go to the market.
2. **Education of the consumers:** Advertisements help us to become aware of the uses of a new product and the functioning of the electronic items. If there are no advertisements, we shall never be able to know about the new companies that enter the market or the introduction of new and better products in the market.
3. **Fair prices:** Advertisements reduces the cost of the product by providing the firms with the advantages of economies of scale and the elimination of the middleman. As a result, customers get goods at lower prices. Many expensive products of yesteryears have come within the reach of the common masses due to continuous advertising and consequent reduction in prices. Prices of widely advertised products tend to be stable during adverse business conditions such as depression.
4. **Better quality:** As said earlier, the producers always try to retain their old consumers and make new ones by introducing some special changes in their product to make them differentiable from the others. Manufacturers are forced to maintain better standards of the commodity to retain consumers.
5. **Contact between producers and consumers:** Advertisements provide links or contact numbers of the product or the service so that the consumers can report their grievances against the use of certain products so that the quality can be bettered. Hence, it brings the consumers and the producers closer to each other.

#### 2.5.4 Benefits of Advertising to the Society

1. **Educate People:** Advertising has a remarkable ability to reach masses and educate the society. Therefore, many Governments and even Non-Governmental Organizations (NGO) often take help of advertisements to reach and educate people on important social issues. Thus, advertising plays a very important role in society.  
**Creative ads** released in the public interest teach people about: Family planning, AIDS awareness, Saving water and electricity, Giving children compulsory education, Providing a right kind of nutrition to the mother and her new-born infant, Abolishing child labour, etc.
2. **Provides Employment:** Advertising helps to provide employment to persons engaged in writing, designing and issuing advertisements. Increased employment brings additional income with the people. It increases more demand in the market. Employment is further generated to meet the increased demand.

3. **Promote the Standard of Living:** Advertising helps to increase the standard of living of the people by increasing the variety and quality in consumption. It raises the standard of the people. As a result, it helps in sustained research and development activities by manufacturers.
4. **Sustains the Press and Other Media:** Advertising helps to sustain the press and other media by providing an important source of income to the press, radio, and television networks. The customers are also benefited because of the increased circulation of their publications. It also encourages commercial art.

---

## 2.6 CONCLUSION

---

Advertising is the best way to communicate to the customers. Advertising helps inform the customers about the brands available in the market and the variety of products useful to them. Advertising is for everybody including kids, young and old. It is done using various media types, with different techniques and methods most suited. The advertising is a highly cost incurring method, its efficiency and effectiveness should be ensured. It is for this purpose that the concept of scientific advertising should be carefully planned and efficiently implemented and promptly monitored and controlled.

---

## 2.7 EXERCISE

---

### I.) QUIZ TIME to check your progress

1. The choice of medium of advertisement depends on the contents of the message.
  - a) True
  - b) False
2. The choice of medium of advertisement depends on the contents of the message.
  - a) True
  - b) False
3. Which of the following is true of advertising?
  - A) Advertising attempts to create a personal relationship with the consumers.
  - B) The nature and purpose of advertising is usually the same across various industries.
  - C) Advertising is a valuable tool for building brand and company equity.
  - D) Advertising is used only for the promotion of mass consumer products.
  - E) One disadvantage of advertising is that it is extremely personal to consumers.



4. Advertising involves dissemination of information about a produce, service to induce people to take actions beneficial to \_\_\_\_\_.

- A.) Advertiser.
- B.) Sponsor.
- C.) Marketing manager.
- D.) Firm.
- E.) Retailer.

5. Advertisement is a mass communication. It addresses to masses and it's a form of \_\_\_\_\_ communication.

- A.) Personal
- B.) Non personal
- C.) Direct
- D.) Indirect
- E.) None of these

6. With respect to consumer markets, advertising done by manufacturers of well-known brands on a countrywide basis or in most regions of the country is known as \_\_\_\_\_ advertising.

- A.) Professional
- B.) Trade
- C.) Business-to-business
- D.) National
- E.) Direct-response

7. Which of the following is a primary difference between publicity and advertising?

- A.) Unlike advertising, publicity is done only by retailers
- B.) Unlike publicity, advertising does not utilize mass media.
- C.) Unlike advertising, publicity is not paid for by the sponsoring organization.**
- D.) Unlike advertising, publicity is institutional in character.
- E.) Unlike publicity, advertising leads to less scepticism among consumers.

8. Which of the following is a similarity between publicity and advertising?

- A.) Both are nonpaid forms of communication.
- B.) Both are run by an unidentified sponsor.
- C.) Both involve non-personal communication to a mass audience.
- D.) Both are not directly paid for by the company.
- E.) Both frequently provide an opportunity for immediate feedback.

9. The development of the advertising message that the marketer wants to convey to its target audience is called the \_\_\_\_\_.

- A.) Creative strategy.
- B.) Media Strategy.
- C.) Distribution Strategy.
- D.) Channel Strategy.
- E.) User Strategy.

10. Advertisement is a type of \_\_\_\_\_.

- A.) Outdoor marketing.
- B.) Indirect marketing.
- C.) Share marketing.
- D.) Transaction marketing.
- E.) Relationship marketing.

11. The best advertisement is \_\_\_\_\_.

- A.) By emails.
- B.) Print media.
- C.) Television.
- D.) A satisfied customer.
- E.) Radio.

12. From the perspective of sales, advertisements are required for \_\_\_\_\_.

- A.) Profit.
- B.) Loss.
- C.) Increasing sales.
- D.) Decreasing sales.
- E.) None of these.

13. "Advertising is any paid form of non-personal presentation and promotion of ideas, goods and services by an identified person". Who stated this?

- A.) Australian marketing Association
- B.) European marketing Association
- C.) China marketing Association
- D.) American marketing Association
- E.) Indian marketing Association

14. For making advertisements more effective, the manufacturers improve \_\_\_\_\_.

- A.) Existing products.
- B.) Advertisement style.
- C.) Marketing channel.
- D.) Sponsors.
- E.) None of these.

15. If the aim of the promotion to introduce a new consumer product is to achieve high awareness levels, the firm will mostly likely make heavy use of \_\_\_\_\_ in the promotional mix.

- F) Advertising
- G) Personal Selling
- H) Publicity
- I) Sales Promotion

## II.) THEORY QUESTIONS

Q.1) Define Advertising and explain its nature and features.

Q.2) Explain the importance of Advertising.

Q.3) Enumerate the objectives of advertising in your own words.

Q.4) State the Active Participants in Advertising.

Q.5) What is the interface between Advertising and Brand building?

Q.6) Explain the main approaches in Brand building.

## SOLUTION to the QUIZ

1) The choice of medium of advertisement depends on the contents of the message.

Ans. **True**

2) The choice of medium of advertisement depends on the contents of the message.

Ans. **True**

3) Which of the following is true of advertising?

Ans. **Advertising is a valuable tool for building brand and company equity.**

4) Advertising involves dissemination of information about a produce, service to induce people to take actions beneficial to **Advertiser.**

5) Advertisement is a mass communication. It addresses to masses and it's a form of **Non personal** communication.

6) With respect to consumer markets, advertising done by manufacturers of well-known brands on a countrywide basis or in most regions of the country is known as **National** advertising.

7) Which of the following is a primary difference between publicity and advertising?

Ans. **Unlike advertising, publicity is not paid for by the sponsoring organization.**

8) Which of the following is a similarity between publicity and advertising?

Ans. **Both involve non-personal communication to a mass audience.**

9) The development of the advertising message that the marketer wants to convey to its target audience is called the **creative strategy**.

10) Advertisement is a type of **indirect marketing**.

11) The best advertisement is **a satisfied customer**.

12) From the perspective of sales, advertisements are required for **increasing sales**.

13) "Advertising is any paid form of non-personal presentation and promotion of ideas, goods and services by an identified person".  
Who stated this?

Ans. **American marketing Association**

14) For making advertisements more effective, the manufacturers improve **existing products**.

15) If the aim of the promotion to introduce a new consumer product is to achieve high awareness levels, the firm will mostly likely make heavy use of **advertising** in the promotional mix.



## CLASSIFICATION OF ADVERTISING

### Unit Structure:

- 3.0 Objective
- 3.1. Introduction
- 3.2. Types of Advertising
- 3.3. Classification of Advertising
- 3.4. Other types of Advertising
- 3.5. Summary
- 3.6. Exercise

---

### 3.0 OBJECTIVES

---

After studying the unit the students will be able:

- To learn different types of advertising based on its role and functions
- To study the broad classification of advertising based on different aspects: categorize advertising using function, region, target market, company demand and media used.
- To understand: \*Social Advertising, Political Advertising, Advocacy Advertising, Retail Advertising.
- To explain Financial Advertising, Essentials for the success of financial advertising, Advantages of Financial advertising
- To explain Corporate Image Advertising, Public Relations Advertising, Institutional Advertising
- To explain Internet Advertising, Types, Advantage and disadvantages of Internet Advertising
- To understanding Product Advertising, Service Advertising, National Advertising, Retail Advertising

---

### 3.1 INTRODUCTION

---

Advertising intends to persuade an audience (viewers, readers or listeners) to purchase or take some action upon products, ideas or services. It includes the name of a product or service and how that product or service could benefit the consumer, to persuade a target market to purchase or to consume that particular brand. These advertisements serve to communicate an idea to the public in an attempt to convince them to take certain

action, such as encouraging environment friendly behaviours, and even unhealthy behaviours through food consumption etc. To advertise is to draw the public's attention usually for the purpose of selling products, or services, through the use of various forms of media, such as print or broad cast and notices.

Advertising is not only used as a means to promote a company's products and services and to drive sales but as a means to build a brand identity and communicate changes of new product /service to the customers. Advertising has become an essential element of the corporate world and it is also the best known mass communication channel. Advertising provides a direct line of communication to the existing and prospective customers about the product or service.

---

### 3.2 TYPES OF ADVERTISING

---

Advertising is also classified according to their functions and role.

Some of the important classifications of advertising are as follows:

1. **Social Advertising:** Social Advertising is undertaken by non-commercial organisations such as Trust, Societies, and Charity Associations etc. The main objective of Social Advertising is to work for social cause. Advertisements for collecting donations for war victims or for victims of natural calamities, sales of tickets for a show etc. are examples of Social Advertising.
2. **Political Advertising:** Political advertising is undertaken by political parties to motivate the general public in favour of the ideology of the party in question. Political advertising is intensively made during election times to gain favour of the voters. Such advertising promotes plans and policies of the concerned party. It also tries to expose weaknesses of the opposition with a view to convince the voters to vote for their party's candidates. Some political advertisement is also made to assist the Government to implement its schemes for rehabilitation and national reconstruction. Advertisement issued by a political party is essentially a political advertising.
3. **Advocacy Advertising:** We often come across advocacy advertisement relating to the use of family planning methods, Conservation of scarce resources, maintaining green environment, etc. An extreme example occurred in the 1960s, when a private citizen bought a two-page advertisement in the New York Times at a cost of \$12,000 to offer his peace plan for ending the war in Vietnam. In 1974, Mobil Oil Company began advocacy advertising concerning the need for offshore oil drilling

to alleviate the energy crisis that existed at the time. NBC accepted the television commercial, but ABC and CBS did not, because of the controversial nature of the topic. As a result, Mobil Oil Company took out full-page newspaper ads, which reproduced in print the visuals and text for the commercial. This is designed to alert people to the fact that such ads are not editorials or informational pieces, but are specifically served as advertisements. Companies can place advocacy advertisement on billboards, in print magazines and newspapers, online, and on television. In fact, many advertising firms consider candidates who have completed advertising internships far more attractive than those who have not. If you are planning to begin your career in advertising in the creative department of an advertising firm, a bachelor's degree may not be as essential.

4. **Retail Advertising:** Retail advertising is the advertising by retailers who usually sell goods direct to the customers. Retail advertising has such objectives as:
  - i) to sell the stock;
  - ii) to establish the identify of business;
  - iii) to attract personal, telephone or mail order shoppers.

Retail advertising is done through window display, neon signs, posters, leaflets etc. It is usually local in character. The various advertising approaches of Akbarallys, Amarsons, Asiatic Departmental Stores are the examples of retail advertising.

5. **Financial Advertising:** When an advertising message is directed to attract for raising capital, it is called financial advertising. The banks, insurance companies and commercial undertakings collect required funds from the savings of the people by motivating them to post-pone present expenditure to future-period. An investor considers two things before investing his hard earned savings.

(1) Safety of investment (2) Return on investment

The safety of investment depends upon the reputation and goodwill of the company and the properties possessed by it. The institutional advertising helps in creating confidence in the minds of the investors. The financial advertisements inform the investors about the past performance in declaring dividends and the trend in declaring of dividend. The dividend depends upon the profitability of the company. The company with the help of charts, diagrams etc. communicate the rate of growth and rate at which profit is increasing. The financial advertising aims at establishing financial, solvency of the company in the minds of the prospective investors. It is because of financial advertising the company have succeeded in floating of mega issue of shares arc in cores. The financial advertising aims at

establishing financial solvency of the company in the minds of the prospective investors.

- **Essentials for the Success of Financial Ads:**

No financial ad campaign, howsoever creative and persuasive it may be, can produce the desired result, unless the following conditions are satisfied.

- (a) The performance and image of the company and its future prospects must be good.
- (b) The premium, charged on the share price, must be fair and reasonable.
- (c) The brokers and underwriters must extend unqualified support to the company.
- (d) The company should get wide publicity from the press through press conferences.
- (e) True statement of facts, made in the ads.
- (f) Finally, financial climate of the country plays an important role.

- **Advantages of Financial Advertising:**

Following are main advantages of financial advertising:

- (g) Financial advertising transmits to target consumers all the material information about new investment opportunities for investment of savings, or, surplus funds.
- (h) It provides education and guidance to consumers in respect of their investments in shares, debentures, and public funds, off companies.
- (i) It serves as a reminder to consumers to take suitable follow up action on their part.
- (j) It helps to tap yet untapped rich areas in mini-metros, small towns, and even in villages for financial institutions.
- (k) As financial ads are required to give the required information about the aims, objective business operation, for which additional funds are required by the advertiser, the company gets wide publicity through such ads.
- (l) Financial advertising serves as a backbone to brokers as well as underwriters, who are the “intermediaries” between the advertiser and the clients.
- (m) Finally, financial advertising indirectly aids and supports the economic and industrial growth of the country by mobilizing public funds for expansion and diversification of business.

- 6. **Corporate Image Advertising:** Corporate Image advertising is designed or aimed to create a proper attitude towards the seller



and to build goodwill or image for the advertiser (manufacturing concern or the selling concern) rather than to sell a specific product or service. Institutional advertising is done to build good public relations image in the market for the marketer and a patronage for its product or products. Institutional advertising can therefore be patronage advertising and public relations service advertising. Public relations institutional advertising is aimed to create a favourable image of the company (advertiser) among employees, investors or general public. Public service institutional advertising aims at changing the attitudes or behaviour of the people to the good of the community or public at large. Patronage advertising is aimed to attract customers by appealing to their patronage buying motives rather than product buying motives. Most of the companies are successful in making their image in the minds of the people by using their names, such as Bata, Tata, Dunlop, J.K., Bombay Dyeing, etc.

7. **Public Relations Advertising:** It is a part of institutional advertising. The basic objective of public relations advertising is to establish cordial and healthy relations with the customers, bankers, suppliers, government patrons and the general public. Through public relations advertising company announces the changes in its policies, its developmental activities its position and stand when the employees are on strike. It helps the company to eliminate wrong concepts about the company created by disinterested groups. During the periods of short supply of goods, the public relations advertising helps to hold the interest of the customers. The company assures about the normalcy of supply and request its customers to bear with the company. Institutional advertising and public relations advertising are complimentary to each other. Both are directed in building up corporate image. There are several reasons as to why a corporate firm may resort to public relations advertising. The reasons are:

- (a) To create a favourable image of the organisation.
- (2) To secure and keep good suppliers.
- (3) To build goodwill of the dealers.
- (4) To arouse and serve customers in a better way.
- (5) To arouse interest of the present and potential shareholders.
- (6) To correct misconceptions about the firm during strikes.
- (7) To win confidence of its employees.
- (8) To render community service.
- (9) To make people aware of social evils, health hazards, etc.
- (10) To obtain public support for certain cause.

8. **Institutional Advertising:** The object of institutional advertising is to build manufacturers reputation in the minds of the public in general. The advertising message is directed to tell about the Company, its people, its contribution in promoting social welfare activities, in promoting consumer satisfaction its achievements in technology its broad philosophies, its share in economic progress of the Company etc. Such advertisements do not bring benefits in the form of higher sales immediately. But they create good footing for the company in the long run. The competitive strength of the company goes up with the enhancement of corporate image. It is much easier for a highly reputed company to launch a new product in the market. Basically the institutional advertising aims at getting public support for raising the capital through public subscription. The following points are normally referred in institutional ads:
  - (1) Research & Development of the firm.
  - (2) Number of factories or branches of the firm.
  - (3) The number of employees and facilities provided to them.
  - (4) Foreign collaborations, if any.
  - (5) Distribution network of the firm.
  - (6) Market position of the firm.
  - (7) Products or services offered by the firm.
  - (8) Social welfare programmes undertaken by the firm, etc.
9. **Internet Advertising:** The Internet facility has been around for some 30 years. It actually began in the early 1960s in USA, where the U. S. Department of Defence saw it as a means of supercomputer communication for researchers and military facilities across the country. Until its commercial explosion in 1990s, the Internet remained a relatively obscure network of linked computers - mostly by academics, military researchers, and scientists around the world to send and receive electronic mail, transfer files, and find or retrieve information from databases – At present, Internet the fastest growing medium in history, offers incredible opportunities for a wide range of people in both business and advertising. For advertisers, there is a whole new world of potential customers.
10. **Primary Demand Advertising:** The main objective of Primary demand advertising is to create demand for a new product or product category. This is necessary in the case of a newly developed product or the products which are costly in nature. For example, cars, refrigerators, washing machines, watch, etc. Such advertising is directed towards a class of customers; it is also described as selective demand advertising. It is heavily utilised during the introduction stage of product life cycle.

Primary demand is when a potential buyer, or prospect, is showing interest in a product or service for the first time. Often times it is because the prospect was never exposed to the concept of the product or service or never really understood it. But now due to new circumstances he/she has an apparent need all of a sudden.

11. **Selective Demand Advertising:** Selective demand advertising is done to meet the growing competition mainly in growth stage of the life cycle of the product. Here, the goal of advertising is to push the demand of specific product or service. Often, promotion becomes less informative and more emotional during this phase. Advertising may begin to stress subtle differences in brands with emphasis on brand name recall. At this stage, pricing may also be used as a weapon because products of all the competitors are almost similar in quality. Selective demand is when a prospect has a need, has identified the need, and is actively seeking out a solution. In these cases, the prospect will come to you if he feels comfortable in your company's ability to solve his needs. When someone has selective demand they are more proactive in their search for information. They usually give themselves enough time to compare the quality, value, and offers of different companies. So while they are calling you they are also likely calling others as well.
12. **Product Advertising:** Product Advertising refers to the advertising of tangible product. It is for the marketing of the product, advertising as a powerful instrument has emerged. A product may be anything in which a trader deals or trade. A product may be tangible or intangible. Products like radio, soap, pen cloth etc. are tangible products and services of professional people like doctors, lawyers, engineers etc. are intangible products. The fundamental of any advertising campaign is to establish the fact that among the substitutes the product advertised is the best. Thus product is the heart of any advertising programme. Advertising makes possible for the smooth entry of the new product in to the market.
13. **Service Advertising:** Service advertising is designed to operate in the public interest. It is undertaken to seek public welfare and social development. It is in the nature of non-commercial institutional advertising. In this type of advertising, the objective is to put across a message intended to change attitudes or behaviour and, as a result, benefit the public at large. It is generally used by government and other organisations to promote public welfare. We often come across advertisements focusing on the need of small family norms, functional literacy and environmental sanitation and so on. The Government of India and many industrial houses have been

sponsoring advertising campaigns pertaining to family planning programmes, national integration, employment assistance schemes, cleanliness campaigns, need for vaccinations, anti-dowry cause, drug addiction, AIDS, wildlife preservation, road safety measures, adult literacy programmes, etc. Today, most of the manufactures and businessmen have also started issuing advertisements in the interest of the public. Advertisements released by the Indian Railway appealing to the public to take care of public properties and ads released by Cancer Society of India for free Cancer check-up, are for socially relevant causes. Many companies have also taken up public causes such as supporting a leprosy eradication programme, avoiding pollution, safe driving, blood donation drive etc., by resorting to public service advertising. To create awareness of AIDS and its preventions, Lowe Lintas has designed TV/film/video campaign.

14. **National Advertising:** It is generally undertaken by manufactures of branded goods, for which, advertising messages is communicated to consumer's all over the country. Almost all possible mass media, including national newspapers, radio and television network, are employed for national advertising. Product services, and ideas, which have demand all over the country, are suitable for national advertising. In India, Indian Airline Hindustan Lever Ltd., Vicco, Godrej, Bajaj and Kirloskar are a few leading advertisers at national level. Likewise, detergents, soaps, toothpastes, cosmetics, scooters, cars, and bicycles, are some of the products, which are advertised all over the country.

---

### 3.3 CLASSIFICATIONS OF ADVERTISING

---

The classification of advertisement is directly related to the advertising plan. By developing an effective advertising plan, there is a possibility of increased positive return on advertising investment regardless of the amount spent.

In advertising management, there are different types of classification of advertising or advertisement. It includes 5 major points for explaining the classification and it's classified as: -

1. On the Basis of Geographical Spread,
2. On the Basis of Target Audience or Market,
3. On the Basis of Media,
4. On the Basis of Purpose,
5. On the Basis of Actions.

## 1. **Classification Based on Geographic Area:**

Marketers advertise to the consumer market with national and retail/local advertising which may stimulate primary or selective demand.

### a) **Global Advertising**

International advertising is conceived as a response to global marketing enabling the agency to channelize advertising from transnational corporations into transnational media. The same product brand that was once sold nationally can now be sold to the whole world backed by the same advertising. E.g. Coke has been using the same standardized advertising in all countries. Pepsi adopts the common theme to the national culture.

### b) **National Advertising**

National advertising is done by large companies on a nation-wide basis or in most regions of the country. Most of the advertisements of well-known companies and brands that are seen on prime -time television or in other major national or regional media are examples of national advertising. The goals of national advertisers are to inform or remind consumers of the company or brand about its features, benefits, advantages, or uses and to create or reinforce its image so that consumers will be predisposed to purchase it.

### c) **Retail / Local Advertising**

Advertising is done by retailers to local merchants to encourage consumers to shop at a specific store, or use a local service or patronize a particular establishment. Retail or local advertising tends to emphasize specific patronage motives such as price, hours of operation, service, atmosphere, image, or merchandise assortment. Retailers are concerned with building store traffic, so that their promotions often take the form of direct action advertising designed to produce immediate store traffic and sales.

## 2. **Classification Based on the Media Used**

Any medium can be effectively used for advertising. Based on these criteria there can be several branches of advertising. Mentioned below are the various categories or types of advertising:

### a) **Print Advertising: Newspapers, Magazines, Brochures, Fliers**

The print media have always been a popular advertising medium. Advertising products through newspapers and magazines is a common practice. In addition to this, print media also offers options like promotional brochures and fliers for advertising purposes. The newspapers and

magazines sell the advertising space according to the area occupied by the advertisement, the position of the advertisement (front page/ middle page), as well as the readership of the publications. The price of the print advertisements also depends on the supplement in which they appear.

**b) Outdoor Advertising: Bill boards, Kiosks, Trade Shows and Events**

Outdoor Advertising is also a very popular form of advertising, which makes use of several tools and techniques to attract the customer outdoors. The most common examples of outdoor advertising are bill boards, Kiosks, and also several events and trade shows organized by the company. The Bill board advertising has to be really terse and catchy in order to grab the attention of the passers-by. The Kiosks not only provide an easy outlet for the company products but also act as an effective advertising tool to promote the company's products. Organizing several trade shows and events by the companies or sponsoring them, also makes an excellent advertising opportunity.

**c) Broad cast Advertising: Television, Radio, and the Internet**

Broad cast Advertising is a very popular advertising medium that constitutes several branches like television, radio or the internet. Television advertisements have been very popular ever since they have been introduced. The cost of television advertising often depends on the duration of the advertisement, the time of broad cast (peak time/prime time) and of course the popularity of the television channel on which the advertisement is going to be broadcasted. The radio might have lost its charm owing to the new age media, but the radio remains to be the choice of small scale advertisers. The radio jingles have been very popular advertising media and has a large impact on the audience.

**3. Classification based on Target Audience**

**a) Consumer Advertising**

A very substantial portion of total advertising is directed to buyers of consumer's products who purchase them either for their own use or for their household's. The fact that the buyer of consumer items are generally very large and are widely distributed over a large geographical area enhances the importance of advertising as a marketing tool. The preponderance of such advertising can be seen by looking into any general print media, such as newspapers,

magazines etc. These advertisements are intended to promote the sale of the advertised products by appealing directly to the buyers/consumers. Such advertising is called consumer advertising.

**b) Business-to-Business Advertising**

Advertising targeted to individuals, who buy or influence the purchase of industrial goods or services for their companies is known as business-to-business advertising. Industrial goods are products that either become a physical part of another product (raw material or component parts), or are used in manufacturing other goods (machinery), or that are used to help a company conduct its business (eg., office supplies, computers) business such as insurance, travel services, and health care are also included in this category.

**c) Professional Advertising**

Advertising targeted to professionals such as doctors, lawyers, dentists, engineers, or professors to encourage them to use a company's product in their business operations. It might also be used to encourage professionals to recommend or specify the use of a company's product to the end-users.

**d) Trade Advertising**

Advertising targeted to marketing channel members such as wholesalers, distributors, and retailers are regarded as trade advertising. The goal of trade advertising is to encourage channel members to stock, promote, and resell the manufacturers branded products to their customers.

**e) Industrial Advertising**

Advertisements directed towards industrial users (buyers of raw materials, component parts, machineries etc.) are regarded as industrial advertising, i.e., consumers who purchase goods for their industrial use and advertisements directed towards these consumers are known as industrial advertising.

**f) Agricultural Advertising**

Advertisements targeted towards the farmers for the purchase of seeds, tractors, and other agricultural implements are regarded as agricultural advertising.

**4. Classification based on Purpose:**

**a) Product or non-product**

A product is a thing or service for which customers will exchange something of value. The purpose of product

advertising is to sell the advertisers goods or services. Services are intangible products. They include financial, legal, medical and other recreational services. Non-product advertising constitutes institutional or corporate advertising in which the advertiser tries to polish its image or influence public opinion about an issue. Here the aim is not to sell something, but just to let the public know that such an organization exists.

**b) Commercial or Non-commercial**

Commercial vs Non-commercial advertising is very easy to understand. If the idea of advertising is to make profits, then it is commercial advertising. If the idea of advertising is not to make profits, then it is non-commercial advertising. Most of the advertisements we see are commercial.

**c) Primary-Demand and Selective- Demand advertising**

Primary demand advertising stimulates the need for a particular category of products and the aim is not to sell one brand. Diamonds forever was used to arouse the need for diamonds and not to sell the brand of De Beers. Once the need for particular category is established, selective demand advertising comes into picture. These advertisements concentrate on a particular brand of a product and try to promote it. De Beers, after it made diamond jewellery popular, went on for selective demand advertisements.

**d) Direct Action or Indirect Action Advertising**

Sometimes advertisements are designed to get the audience response immediately. These types of advertisements are called direct-action advertisements. Typically, these types of advertisements carry a toll free number and sales promotion incentives. Indirect-action advertising is done primarily to build awareness of the product.

**5. Classification based on Action**

This is the fifth part of the classification of advertising and it includes 2 sub-points like-

**a) Immediate Response-**

These kinds of advertisement provide immediate response in the form of purchase of the product. For Example– An advertisement for the offer can result in more sale of a product.

**b) Indirect Response-**

These kinds of advertisement are work for building the brand image in the minds of the customers so that they can purchase the products over a period of time. For Example– An advertisement related to banks, insurance policy, and so on.



## 6. Other types of advertising

### a) Covert Advertising

Covert Advertising also known as “guerrilla advertising” is a unique kind of advertising in which a product or a particular brand is incorporated in some entertainment and media channels like movies, television shows or even sports. There is no commercial in the entertainment but the brand or the product is subtly (or sometimes evidently) showcased in the entertainment show.

### b) Surrogate Advertising- Advertising Indirectly

Surrogate Advertising is prominently seen in cases where advertising a particular product is banned by law. Advertisements for products like cigarettes or alcohol which are injurious to health are prohibited by law in several countries and hence these companies have to come up with several other products that might have the same brand name which indirectly remind people of the cigarettes or beer bottles of the same brand.

### c) Public Service Advertising- Advertising for social causes

Public Service Advertising is a technique that makes use of advertising as an effective communication medium to convey socially relevant message about important matters and social welfare causes like AIDS, energy conservation, political integrity, deforestation, illiteracy, poverty and so on. David Ogilvy who is considered to be one of the pioneers of advertising and marketing concepts had reportedly encouraged the use of advertising field for a social cause. Today public Service Advertising has been increasingly used in a non-commercial fashion in several countries across the world in order to promote various social causes.

### d) Celebrity Advertising

Using celebrities for advertising involves signing up celebrities for advertising campaigns, which consists of all sorts of advertising including, television and print advertisements. Though the audience are getting smarter and smarter and the modern day consumers are getting immune to the exaggerated claims made in a majority of advertisements, there still exist a section of advertisers who still bank upon celebrities and their popularity for advertising their products.

---

## 3.4 CONCLUSION

---

In this unit you have been introduced to the concept of classification of advertising. Let us summarize these concepts once more. Advertising is a form of communication and it is a paid form of

publicity whose purpose is to inform potential customers about products and services and how to obtain and use them. Many advertisements are also designed to generate increased consumption of those products and services through the creation and reinforcement of brand image and brand loyalty. For these purposes advertisements often contain both informative and persuasive messages. All mass media such as, television, radio, movies, magazines, newspapers, video games, the Internet are used to deliver the messages of advertising.

Advertising can be classified based on function, region, target market, company demand, desired response and media.

---

### 3.5 EXERCISE

---

#### I.) Quiz Time (check your progress)

1. Media advertising is still the most cost-effective way to reach large numbers of consumers with an advertising message. **(TRUE/ FALSE)**
  
2. Primary-demand advertising focuses on creating demand for a specific company's brands. **(TRUE/ FALSE)**
  
3. Business-to-business advertising is limited to industrial goods; services such as insurance and finance and banking are not included in this category. **(TRUE/ FALSE)**
  
4. \_\_\_\_\_advertising is done by local merchants to encourage consumers to shop at a specific store, use a local service, or patronize a particular establishment.
  - A.) Trade
  - B.) Professional
  - C.) Direct-response
  - D.) Retail
  - E.) National Retail
  
5. Advertising done for the purpose of building store traffic and encouraging consumers to make a purchase takes the form of \_\_\_\_\_ advertising.
  - J) Trade
  - K) Facultative
  - L) Professional
  - M) Direct-action
  - N) B2B

6. \_\_\_\_\_ has long been the cornerstone of brand-building efforts for many companies.
- A.) Interactive media
  - B.) Mass-media advertising
  - C.) Online marketing
  - D.) Product placement
  - E.) Personal
7. Which of these contain no illustrations or logos?
- a) TV
  - b) Magazine
  - c) Classified advertisements
  - d) Cinema
8. The advertising media is a marketing communications umbrella concept that covers \_\_\_\_\_ that carry \_\_\_\_\_ to the prospective consumer.
- A) media vehicles or channels, advertising messages
  - B) advertising messages, media vehicles or channels
9. Interactive media can be best described as
- A) Marketing Mix
  - B) Marketing Communications Mix
  - C) Customized Marketing Messages
  - D) Media that allow two-way messages between company and consumer
10. Print advertising is sometimes also called
- A) Business Advertising
  - B) Press Advertising
  - C) Electronic Advertising
  - D) None of the above

## **(II) THEORY QUESTIONS**

- 1) "Advertising is a non-personal communication". Why it is non-personal?
- 2) Write about the various types of advertising with suitable examples.
- 3) "Sale is a main objective of advertising", do you agree or not? Justify your answer.
- 4) Is advertising different from publicity? Justify your answer.
- 5) What is Surrogate advertising?
- 6) What is the difference between Direct action advertising and indirect action advertising?
- 7) Name two types of company demand.

**SOLUTION to the QUIZ**

1. Media advertising is still the most cost-effective way to reach large numbers of consumers with an advertising message. (TRUE/ FALSE)

**TRUE**

Advertising remains an important part of many marketers' IMC programs because it is an effective way to reach large numbers of consumers with an advertising message. Television, in particular, is an excellent way for marketers to reach mass markets.

2. Primary-demand advertising focuses on creating demand for a specific company's brands. (TRUE/ FALSE)

**FALSE**

Primary-demand advertising is designed to stimulate demand for the general product class or entire industry. Selective-demand advertising focuses on creating demand for a specific company's brands. Most advertising for products and services is concerned with stimulating selective demand and emphasizes reasons for purchasing a particular brand.

3. Business-to-business advertising is limited to industrial goods; services such as insurance and finance and banking are not included in this category. (TRUE/ FALSE)

**FALSE**

Business-to-business advertising is targeted at individuals who buy or influence the purchase of industrial goods or services for their companies. Business services such as insurance, finance and banking, and telecommunications are also included in this category because they are marketed to both business customers and consumers.

4. **Retail** advertising is done by local merchants to encourage consumers to shop at a specific store, use a local service, or patronize a particular establishment.

5. Advertising done for the purpose of building store traffic and encouraging consumers to make a purchase takes the form of **direct-action** advertising.

6. **Mass-media advertising** has long been the cornerstone of brand-building efforts for many companies.

7. Which of these contain no illustrations or logos?

Ans. **Classified advertisements**

**Classified advertisements are small and one column wide. These advertisements contain no illustrations or logos.**

8. The advertising media is a marketing communications umbrella concept that covers **media vehicles or channels** that carry **advertising messages** to the prospective consumer.

9. Interactive media can be best described as **media that allow two-way messages between company and consumer**

10. Print advertising is sometimes also called **Press Advertising**.



## ADVERTISING AGENCY I

### Unit Structure:

- 4.0 Objectives
- 4.1 Introduction
- 4.2 Meaning and Definition
- 4.3 Organisation Structure of an Advertising Agency and services offered
- 4.4 Types of Advertising Agencies
- 4.5 Emergence of Global Agencies
- 4.6 Some of the top Advertising Firms in India
- 4.7 Agency Selection Criterion
- 4.8 Maintaining Agency- Client Relationship
- 4.9 Summary
- 4.10 Questions

---

### 4.0 OBJECTIVES

---

After studying this unit, the students will be able to:

- Know the meaning and definition of Advertising Agencies.
- Explain the Organization structure of the Advertising Agency.
- Elaborate the types of Advertising Agencies.
- Know the top advertising firms in India.
- Understand the agency selection criteria.
- Explain how to maintain the agency-client relationship.

---

### 4.1 INTRODUCTION

---

In the current age of business advertising has become unavoidable task and day to day the importance of advertising agencies is increasing. These agencies provide creative and specialized services to their clients. Advertising agency is the core of advertising profession and industry. An advertising agency is an independent company set up to render specialized services in advertising. An advertising agency is a firm that specializes in the creation, design and placement of advertisements, and in the planning and execution of promotional campaigns for products and services of their clients.

---

## 4.2 MEANING AND DEFINITION

---

### 4.2.1 MEANING

Due to the specialized nature of advertising business, organizations utilize the services of advertising agencies. For most companies, planning and execution of advertising is handled by advertising agency.

The **American Association of advertising Agencies (AAAA)** has defined an advertising agency as:

- An independent business organization
- Composed of creative and business people
- Who develop, prepare and place advertising on advertising media
- For sellers seeking to find customers for their goods and services.

Thus, an advertising agency is a service organization which performs the function of preparing, planning and checking advertisements for its clients. It has its own specialized & creative staff including visualizes, copywriters, artists, painters, models, etc. It also places advertisements in media. **Thus, an agency is a link between the clients & media owners.**

### 4.2.2 FEATURES OF ADVERTISING AGENCY:

1. Advertising agency is concerned with **preparing advertisements** for the advertisers.
2. There are **various types of advertising agencies** such as full service agency, in-house agency, creative boutiques, etc.
3. An advertising agency **employs creative people** like artists, layout designers, visualizers, copywriters, etc.
4. Some advertising agencies operate **at local level while others operate at national** as well as global level.
5. The job of the advertising agency also includes booking **time & space in media**.
6. The **fees charged** by an advertising agency are generally based on the media billing.
7. Advertising agencies **render various services like account planning**, creative services, marketing services, etc.
8. Some advertising agencies **have accreditation** while some others don't have.

---

## 4.3 ORGANISATION STRUCTURE OF AN ADVERTISING AGENCY AND SERVICES OFFERED

---

For smooth functioning, every advertising agency is divided into departments. The number of departments depends upon the size of business organization. The organization structure differs from agency to agency depending upon the functional areas.

### 1. Creative services department

The creative services departments are the heart and soul of advertising agency. Creativity differentiates one agency from another. This department is composed of the visualizers, copywriters, art directors, production manager and traffic manager. The functions performed by departments are:

- i) **Copywriting:** The visualizers and copywriters plan and prepare the copy of the advertisement. Some agencies have separate 'copy departments'.
- ii) **Artwork:** The art directors and artists prepare the artwork of the advertising which includes designing attractive illustration and layout. This is required in order to make the advertising copy attractive and appealing.
- iii) **Production:** The production manager looks after mechanical production of print advertisement and production of TV or radio commercial. The services of printers, typographers, script-writers and directors are required in this process of production of advertisements. At times, agencies hand over this function to outside independent units.
- iv) **Traffic:**  
Traffic means scheduling. Traffic people are concerned with routing, scheduling and supervising the work of each advertising department. The traffic department ensures that deadlines are met not only within the agency but also outside organizations such as media houses, suppliers, traders etc. The traffic manager monitors the production of finished advertising so that it is completed as per schedule.

### 2. Account services

An account refers to client who desires agency services. This department is responsible for providing services to the client. The department comprises of accounts executive and accounts supervisors. An accounts executive acts as the link between the agency and the clients. He is the person who carries the client brief and is also responsible for the approvals.



The main functions performed by this department are:

- i) **Client servicing:** This department handles the requirements and problems of the clients. It studies the client's product to be advertised and collects necessary information about the product and the organization.
- ii) **Preparation of advertising plan:** This department prepares the advertising plan and sends it to the client for approval.
- iii) **Agency-client relations:** This department acts as a link between the agency and its clients. It not only maintains cordial relationship between the clients but also with media owners.

### 3. Marketing services

The marketing services department is composed of media team, marketing research executives and sales promotion executives. It performs the following functions:

- i) **Media services:** The main skill of media team is media planning, media buying and media scheduling. The media team organizes the timing and scheduling of the marketing communications campaign. They look at the range of media to be exploited and at the best slots in which to run advertising. They help a client to decide upon the duration of and individual slot, and how many of them to run. They are responsible for buying time/ space in media. They also prepare media schedule. A media schedule is a time-table showing dates and timing of execution of the advertising campaign in media.
- ii) **Marketing research:** An advertiser needs information on various aspects such as market trends, market competition, consumer behavior, new trends in media and so on. It is the responsibility of the marketing research department to provide such inputs to the client. In fact, the research department functions before and after a commercial is made for pre-testing and post-testing its effectiveness. Consumer insights and brand usages are also tested at times. Large agencies usually have research subsidiaries. For instance, Hindustan Thomson has Indian Marketing Research Bureau (IMRB) while Lintas has pathfinders.
- iii) **Sales promotion:** This department prepares sales promotion materials such as sales brochures, sales literature, dealer displays, point of purchase material etc. It also undertakes window displays, trade shows, fairs and exhibitions.

#### 4. Administration and Finance

The administration and finance department is composed of office manager, accounts manager and clerical staff. It looks after the financial and accounting matters. The department performs the following functions:

- i) **Office administration:** The office manager is responsible for day-to-day office administration. He also looks after office management and handles issues relating to personnel i.e. recruitment, training, promotions, transfers, training etc. The clerical staff provides clerical services like typing, filing and record keeping.
- ii) **Accounting:** This department looks after maintaining proper books of accounts, receipts and payments etc. It collects bills from the clients and makes payment of media bills.
- iii) **Budgeting:** This section looks after internal budgets, cash flows, preparing investment plans etc.
- iv) **Auditing:** the account executive is responsible for getting the books of accounts audited from the agency's chartered accountant. He also prepares necessary reports and statements.

---

#### 4.4 TYPES OF ADVERTISING AGENCIES

---

There are different types of agencies that provide client specific functions. These are explained as under:

##### 1. Full service agency:

A full service agency is one that provides under one roof all the services; a client is likely to need. Such agencies are usually large in size and offer their clients a full range of services in the area of marketing, communications & promotions. These include planning, creating and producing the advertisement; placing the advertisement in various media & research. Other services offered include strategic marketing planning, sales, sales training, designing the package, event management, trade shows, publicity, public relations, etc. Trikaya, Grey, Ogilvy & Mather are fully service agencies in India. In other words, they are one stop shops for all services that are offered to the clients. Today's agencies provide total communication packages for the clients' brands.

Some of the features of full service agency are as under:

- Large in size
- Deals with all stages of advertisements
- Different expert people for different departments
- Starts work from gathering data & analyzing and ends on payment of bills to the media people.

## 2. In-house agencies

At times, an advertiser may establish his own department to perform the advertisement related services, which are normally provided by an outside agency. Such a department is known as an in-house agency. It is owned & operated by the advertiser. Some companies exclusively use in-house agency, while others combine in-house agency efforts with those of independent outside advertising agencies. Large advertisers, such as Calvin Klien & Benetton use in-house agencies.

- **Advantages:**

It saves the **cost** of advertising as the substantial advertising money paid to outside agencies in the form of media commissions goes to the in-house agencies.

It enables greater **control** over the agency operations both in terms of cost & creativity.

Since the advertising job is handled by in-house staff. There may be an increased coordination

- **Disadvantages:**

The in-house agency often lacks expertise available in an outside agency. Top agency talents are less likely to get attracted into an in-house agency.

At times in-house staff might turn biased while an outside agency is more objective in its analysis & evaluation.

Operating an in-house agency is expensive as compared to getting the advertising job done by an outside agency especially if the organization is small.

## 3. Creative Boutiques:

These are agencies that provide only creative services. In other words, they provide just creative work, that is, ideas for advertising campaign and execution of those ideas. They do not involve themselves with the media and other functions. These creative boutiques have grown when the advertiser desires to use high quality creative talent of an outside service provider, while the rest of the functions are performed within the advertiser company. Full service agencies subcontract work to creative boutiques when they want to avoid increasing full time employees or have access work. These boutiques usually work on an agreed fee. Some of the features of creative boutique include:

- Very Creative and Innovative ads
- No other function is performed other than creating actual arts
- Small size agencies with their own copywriters, directors and creative people.

#### 4. The specialist agency

There are some agencies who undertake advertising work only in certain areas. In other words, they specialize in specific areas. For e.g., some agencies specialize in financial services, social advertising, medicine related advertising and so on. In India, there are agencies specialized in financial advertising and the DAVP, (Directorate of Advertising Visual Publicity) which gives publicity to government's policies and programs.

#### 5. Agency Network

Due to tremendous increase in the volume of business, agencies need to have branches across the country in order to serve local, regional as well as national clients. However, this may not be possible & economical. To overcome this problem, **a smaller agency can join a large agency forming a network.** Such a network is possible even at international level. The group so formed provides market information to all network members. They also share information on agency operations. Examples of international tie-ups are Trikaya in India with Grey advertising in USA & Hindustan Thompson with G. Walter Thompson of the USA.

#### 6. Subsidiaries of large agencies:

**Large advertising agencies establish subsidiaries which can develop local niche market.** By being associated with the larger agency, they gain status which helps them to gain acceptability by clients. In India, "Karishma" is the subsidiary of Lintas & "Contract" that of Hindustan Thompson.

#### 7. Media Buying Services:

**These are independent agencies specialized in media buying services.** Advertising media buying has become a complex activity in this competitive environment. Advertisers and advertising agencies develop their own media strategies and give the contract of executing the same to media buying services. Agencies offering this service buy large amount of time and space in media. Hence they are in position to obtain better media packages, the benefit of which is passed on to the advertisers. For the services rendered, they are paid a commission or fee by the advertiser.

---

### 4.5 EMERGENCE OF GLOBAL AGENCIES

---

**Today the field of advertising is booming.** With the growing markets and competition, it has become an essential tool to reach the target market as well as the target audience.

Liberalization has empowered advertising and has completely changed the Indian advertising scenario. Advertising in

India has undergone tremendous growth over the past decade. The 30-second slot between the TV shows is a largely coveted space for most advertising companies today. Indian television viewers are very much influenced by visual ads and print ads, thus expanding the product consumer base. Mumbai continues to be the major advertising hub for this country.

**Earlier in India the advertising agencies were very small and they used to fetch from little to no business.** But if we see the ad agencies in India today, then the scenario is totally different. Advertising has now become a full fledged industry. The horizons of advertising agencies have expanded and crossed the national borders.

Now advertising is no longer restricted to print media or radio ad but latest trend is about internet marketing and social media. The scenario of Indian advertising world is also going through these changes and several marketing agencies are becoming forward with the latest ideas and concepts.

Advertisers in India have reached 75% of population, using television as a media device, and the rest of the population is reached via radio. India, however, favors newspapers, magazines, television, radio, bill boards and business publications to convey messages about various products. It is the advertising agencies advertisements which portray ideas to the audience. The world's leading advertising agencies – Ogilvy and Mather, J Walter Thompson, BBDO, Lintas, Mc Cann-Ericsson and Leo Burnett has successfully made a mark in the Indian market.

### **CHECK YOUR PROGRESS:**

1. Enlist the functions of the following departments of the advertising agency:
  - a. Creative service Department
  - b. Account Department
  - c. Administration and Finance Department
  - d. Marketing Department
2. Define the following terms:
  - a. Advertising agencies
  - b. Full service agencies
  - c. Agency network
  - d. Subsidiaries of large agencies

---

## **4.6 SOME OF THE TOP ADVERTISING FIRMS IN INDIA ARE:**

---

### **1. Ogilvy & Mather**

It is an international New York based advertising, public relations & marketing agency established in 1948. It operated in 125t countries across the world with its Indian operations centre Ogilvy advertising – in Mumbai. The O & M network offers services to fortune global 500 companies over the world. Ogilvy advertising continues to remain India's number 1 advertising agency. Ogilvy and Mather is the creative team behind India's most successful and renowned brands such as Vodafone, Cadbury, Asian Paints and Fevicol. They have created ZooZoo campaigns for Vodafone.

### **2. JWT**

J Walter Thompson had its headquarters in New York and offices in over 90 countries. It was set up in 1864 and even today, continuous to create, innovate and define the world of communication in India. JWT has created advertisements for brands such as Nestle, Bayer, Ford, Nokia and Unilever.

### **3. Mudra Communication**

Mudra Communications was set up in 1980. It is based in Mumbai. It is advertising, communications and brand Management Company in India. It is India's third largest advertising agency. In 2011, Mudra group was acquired by Omnicom Group, subsequently rebranded as DDB Mudra group and merged with DDB Worldwide. As an advertising agency it is credited with handling successful campaigns of brands and products such as Rasna, Godrej, McDonalds, HBO, Philips, Reliance Netconnect and Big Bazaar.

### **4. LOWE Lintas India Pvt. Ltd.**

After the merger of Lintas India Ltd. With LOWE Lintas and Partners Group of the UK, it is known as LOWE Lintas India Pvt. Ltd.

It is one of the India's largest communication groups. The advertising agency indicates advertising, media buying house, direct marketing, public relations, design consultancy, market research, events, rural communications & interactive communications. LOWE Lintas was recently declared to be the 5<sup>th</sup> most effective agency in the world by the Effie Effectiveness Index. The 1<sup>st</sup> Television commercial in India was handled by LOWE Lintas. The agency handles the account of Unilever, Microsoft, Idea Cellular, Johnson & Johnson, Nestle, Knorr, etc. They manage advertising campaigns of 5 of India's top 10 "Most Trusted Brands of India".

### **5. FCB Ulka Advertising Ltd.**

FCB being 1 of the top3 advertising agencies in USA, ranks number 10<sup>th</sup> in the world. FCB-Ulka has made its mark in India as Ulka advertising. It was founded in 1961. Since its inception it has continued to be among the top 5 advertising agencies in India. FCB-Ulka has made a smooth transition from a creative shop to a large mainstream agency. These companies' aim has always been to create advertising that is noticeable & that is most relevant to the buyer not the seller. FCB Ulka is considered as a turnaround specialist that indulges in more than just brand building. Some of FCB Ulka's successful ads include TATA Indicom, Whirlpool, Zee Cinema, Santoor, Sunfeast & Amul.

### **6. Re Diffusion DY & R**

It is a Mumbai based advertising agency that was set up in 1973. It focuses primarily on integrated PR services and media relations. It handles the account of Indian oil corporation, LG Electronics, Bharti Airtel, etc.

### **7. Mc Cann-Ericsson**

This advertising agency is a leading global agency. It is one of the leading advertising agencies in India, it was born out of a successful and profitable merger in 1930, and its office are in Australia, South East Asia, Latin America, Europe and India. The tag line "Thanda matlab coca cola" is a brain child of this agency. Another famous tag line created by them is "for everything else there's mastercard".

### **8. RK Swamy BBDO Advertising Ltd.**

It is the agency of the worldwide renowned BBDO network. It was launched as a fully fledged large format agency on April 2 1973. It is one of India's leading integrated communication service providers. It is ranked as one of India's top advertising agencies over the past 3 decades. Its clients include Air India, State Bank of India, Union bank, MTNL etc.

### **9. Grey Worldwide (I) Pvt Ltd**

Grey world India pvt. ltd is a subsidiary of Grey worldwide. It is an advertising agency that provides marketing and advertising services. The company is based in Mumbai, India with additional offices in Ahmedabad, Bangalore, Kolkata and New Delhi. Some of the ads created by them include for hero Honda, Maruti Suzuki, nestle, Indian oil, Ambuja cement, UTV and Godrej.

### **10. Leo Burnett India pvt Ltd.**

A regular award winner at the Cannes festival, India's Leo Burnett has been proclaimed as one of the most creative agencies of the country. It has over the years successfully offered consumers with powerful brand experiences using ads like McDonalds, Heinz, Complan, Bajaj and HDFC.

### **11. Contract Advertising India Ltd**

Contract Advertising is known for its one of kind specialty divisions that provide complete advertising solutions. These divisions include design sutra, eye contract and core consulting since its inception in 1986, Leo Burnett India Pvt Ltd.

It has successfully delivered successful result to its high profile clientele including Tata Indicom, Religare, Asian Paints, Dominos, Spice Jet and American Tourister, etc.

---

## **4.7 AGENCY SELECTION CRITERION**

---

Much care has to be taken in selecting the agency of the choice of a particular organization. Some of the factors taken into account are;

### **1. Creativity**

Creativity is an essence of advertising. Hence one of the most important factors considered while selecting an advertising agency is the quality of creative services offered by the agency. Creativity depends on the quality of the creative personnel that is copywriters, artists, art directors, painters, etc. The advertiser must judge the agency's ability to generate and develop new ideas for his advertising program.

### **2. Services offered**

The advertiser must consider the range of services offered while selecting an advertising agency. Some agencies especially smaller ones provide limited services, while larger agencies offer wider range of services. The advertiser must compare services offered by various agencies and select one whose services he thinks will be satisfactory and profitable.

### **3. Specialization**

Some agencies are specialized in certain lines of business. Such agencies attract clients having special needs. E.g. some agencies are specialized in financial advertising. Advertisers dealing in financial products may prefer such agencies.

### **4. Remuneration**

The cost of the services rendered is a very important factor to be taken into account while selecting an agency. The fees charged are not uniform, i.e. it differs from agency to agency. The advertiser must compare the rates of different agencies while selecting an agency. The payment may be in terms of commission, lump sum fees, etc. These have to be discussed before entering the contract.



## **5. Reputation of the agency**

The past record & reputation of the agency in the field of advertising must be considered. Information about the agency can be obtained through conversations with the media owners and other advertisers. Further, other factors such as financial standing, successful campaign of other clients handled by the agencies in the past, client turnover, agency client relationship must be considered.

## **6. Location**

Many advertisers prefer an agency having a branch office located close to the advertiser's office. This enables them to have a quick and economical communication with the agency. The agency can follow the client easily. Thus it offers convenience to both, the advertisers and agency.

## **7. Other Clients**

The advertiser must not approach an agency that handles competitor's advertising programs. This is due to confidential nature of business; the secret information provided to the agency may get disclosed.

## **8. Media Connections**

An agency which has better contacts with media owners must be selected. Such an agency is in a position to book the desired time and space in the media. Moreover, it can also get media packages, the benefit of which is passed on to the advertisers.

## **9. Accreditation of the agency**

Some advertising agencies are accredited by the Indian Newspaper Society, Doordarshan and All India radio. Accreditation gives professional status to the agencies. They enjoy better credit to the media owners. They pass this benefit to their clients. Moreover, such agencies have to follow the code of ethics laid down by the media owners. Thus the client is likely to get a minimum standard of the advertising campaign. This suggests that such agencies must be approached.

## **10. Size of the agency**

A large sized agency may provide a wider range of services and facilities. Advertisers prefer larger agencies because they are benefited due to experience, reputation, and media connection of the agency. Moreover, this is an age of mega agency.

## **11. Initiative and Involvement**

An agency that anticipates a client's needs just before the client does should be preferred. In other words, an advertising agency that takes keen interest and initiative in the work of its clients must be given preference. Such an agency may be able to study its client's problems and also suggest measure to overcome them.

---

## 4.8 MAINTAINING AGENCY- CLIENT RELATIONSHIP

---

**The agency-client relationships starts when the client contracts work to the agency.** It is continuous as long as the agency provides services to the clients. **Such a relationship is based on mutual trust and respect.** It is like an equal partnership that has to follow a few guidelines to make it more fruitful. **An article published in the economic Times of India on 17<sup>th</sup> January 1988 has made some suggestions in this regard:**

### **What the clients have to do?**

- Treat the agency with **courtesy at all times.** Do not hurt the ego of agency people.
- Create enthusiasm in the staff of the agency for their products/ services. Clients must demonstrate how their product is superior to competitors.
- Involve the agency in the product development.

Provide a thorough brief before seeking advertising proposals. The brief must be in a written form containing a review of the marketing plans of the current year and the coming year. It must also clearly define marketing and the advertising objectives.

The client must encourage the agency to consult them during the process of planning the advertising campaign.

When the agency sends the advertising proposal for the approval to the clients, they should not reject the approval on whims and fancies.

### **Have faith in the agency**

#### **Pay agency bill as per the terms agreed.**

- Avoid personal favors from the agency. Utilize the services of the agency strictly for the company.
- Reduce disputes to a minimum.

### **What the agency has to do?**

The following points elaborate the agency's responsibilities towards developing healthy relationships with the clients:

- Agencies must not handle conflicting accounts. It means they must not accept the advertising proposal of competitor of the existing client.
- Discuss details of compensation before accepting the account. This avoids disputes and ill feelings later.

- Decide clearly as to who will handle the account within the agency so as to avoid confusion in due course.
- Establish a continuous communication network with the client. This helps to resolve enemies understanding quickly.
- Collect complete information about the client's business. The same can be used while preparing the advertising plan.
- Maintain a regular performance audit from the agency's side. In other words, evaluate its performance from time to time.
- Come out with new marketing ideas that open up new opportunities for the client.
- Never hurt the client's ego. Respect his opinion & suggestion.
- Keep the client well informed about any proposed changes at the agency.
- Maintain discipline, punctuality & submit progress report on the work assigned. This would keep the client informed about the state of his advertising campaign.

---

## 4.9 SUMMARY

---

Advertising agencies are those organizations providing creative and specialized services to their clients. Generally, the services provided by these agencies are: creative services, accounting services, marketing services, administration and finance services.

Agencies has been classified on the basis of the services provided by them such as; Full service agencies, In house agencies, Creative boutiques, The specialist agencies network, Subsidiaries of large agencies, Media buying services.

Ogilvy & Mather, J Walter Thompson, Mudra communication, LOWE Lintas India Pvt. Ltd., FCB Ulka advertising Ltd., Re Diffusion DY & R, McCann-Ericsson, RK Swamy BBDO Advertising Ltd., Grey world india pvt ltd., Leo Burnett India pvt Ltd., Contract Advertising India Ltd. Etc are the top advertising agencies in India.

While selecting the agency some of the factors taken into account related to the agency are: Creativity, services offered, specialization, remuneration, reputation, location, other clients, media connection, accredited, size, initiative and involvement of the agency.

The relationship between the client and the agency is a continuous process as long as the agency provides services to the

clients. Such a relationship is based on mutual trust and respect. The client must encourage the agency during the process of planning the advertising campaign and the agency must keep the client well informed.

---

#### 4.10 QUESTIONS

---

- 1) Define Advertising Agencies. Explain the Organisation structure an advertising agency.
- 2) "Today the field of advertising is booming". Discuss.
- 3) Elaborate the types of Advertising agencies.
- 4) Explain comparatively the relationship between the client and the advertising agency.
- 5) Which are the top advertising agencies in India.
- 6) Write short notes:
  - e. Selection criteria
  - f. In house agencies
  - g. Creative boutiques
  - h. Media buying services.
  - i. Features of Advertising agencies



## **ADVERTISING AGENCY II**

### **Unit Structure:**

- 5.0 Objectives
- 5.2 Ways of getting clients
- 5.3 Client Turnover
- 5.4 Creative Pitch
- 5.5 Agency Compensation
- 5.6 Agency Accreditation
- 5.7 Career Options
- 5.8 Career Options in Advertising Agency, Media and Supplying / Supporting Firms
- 5.9 Freelancing Options for Career in Advertising
- 5.10 Summary
- 5.11 Questions

---

### **5.0 OBJECTIVES**

---

After studying the unit, the students will be able to:

- Explain the ways of getting clients.
- Know the concept Client Turnover and reasons of Client Turnover.
- Elaborate the term Creative Pitch and the steps in creating the C.P.
- Know the methods used for compensation.
- Understand the meaning of Agency Accreditation, its advantages, criteria and disadvantages.
- Know the career options in advertising.
- Understand the freelancing career options in advertising.

---

### **5.1 INTRODUCTION**

---

Liberalization has empowered advertising. There has appeared a tremendous growth in the advertising agencies in India over the past decade. Earlier in India the advertising agencies were very small and they used to fetch from little to no business. But if we see the ad agencies in India today the scenario is totally different. Advertising has now become a full fledged industry. The horizons of advertising agencies have expanded and crossed the

national borders. With the growth in ad agencies, competition for client's accounts is increasing.

---

## **5.2 WAYS OF GETTING CLIENTS**

---

Due to the competition the agencies have to constantly search for new clients and satisfy the existing clients to retain them with the ad agency. Some of the ways of getting clients are:

### **1. Advertisement**

An advertising agency can advertise in newspapers seeking clients for their business. New advertising agencies working at a local level can select a local medium to attract small and medium scale entrepreneurs to give their account to the advertised agency.

### **2. Referrals**

This is one of the most popular routes through which an agency gets new clients. If the existing clients are satisfied with the work of the advertising agency, they are likely to recommend the agency's name to new clients.

### **3. Presentations**

The executives of the agency depute personnel to make presentations in front of the executives of the companies. This presentation may take into account the products, the marketing and the advertising plans of the companies. These presentations give the companies an insight into the creative potential of the people of the agency.

### **4. Member of associations**

Advertising agency can become a member of various associations like IMC, MACCIA, AAI, etc. Such membership give them a chance to interact with the members of various business associations which is likely to fetch them business in the long run.

### **5. Solicitations**

The agency may search new clients by writing letters. It may directly approach the client and may give a better offer than the one given by the existing agency. It could either be in the form of better services or better agency compensation. The agency may even make calls to attract new clients.

### **6. Image & Reputation**

Reputation of the agency attracts new clients. An image can be built by undertaking excellent advertising work of reputed clients and by winning awards. Many advertising agencies participate in advertising festivals or competition to win awards & to gain popularity. Further media coverage helps and agency to get publicity.

---

## 5.3 CLIENT TURNOVER

---

### 5.3.1 Meaning

Client turnover means clients changing their advertising agencies. It means clients close their accounts with the existing agencies and switch over to other agencies. Client turnover has negative effect on the agency as it adversely affects its image and also its revenue.

### 5.3.2 The reasons for such client turnover are:

#### 1. Dissatisfaction with the creative efforts:

Creativity is the essence of advertising. One of the important factors in contracting with a particular advertising agency is creative services offered by it. However, if the client is not satisfied with the creative efforts taken by the agency, he may terminate the contract.

#### 2. Conflict on payment

If the client feels that the agency is charging higher fees, higher service charges, not passing cash discount received from media, recommending media just for the sake of higher commission, etc. It may result in client leaving the existing agency.

#### 3. Handling the competitor's account

The agency may start handling a competitor's account. This may force the client to shift to some other agency.

#### 4. Personal Conflicts

Sometimes the client and the top executives of the ad agency have conflict regarding any decision of advertising campaign such as copywriting, copy designing, selection of medium, media scheduling, etc. Such conflicts lead to ego problems among them. It may result with the client leaving the agency.

#### 5. Personnel changes in the staff:

A client sometimes switches over to new agency when the creative team or key employees of the existing agency moves out to another agency. Even personnel changes in top executive of client may result in shift to another agency. The new top executive of client may have established ties with some other agency and they may shift to such agency.

#### 6. Unsuccessful Advertising Campaigns

If the advertising campaign launched fails to bring in the desired results (increase in sales/brand awareness etc) the client may contract with another agency for the next advertising campaign.

**7. Lack of Coordination & Communication**

Poor communication & coordination between the client & the agency staff fails to develop trust & confidence in each other. In such a case the client may leave the agency.

**8. Inadequate Services**

At times, the client may require additional services & facilities if the agency is not equipped to provide the same the client may shift to some other agency.

**9. In sufficient Network of the agency**

The client may plan to enter an entirely new market may be rural or international market. The agency may not have a branch or the capacity to handle this new market. Hence, the client may enter into a contract with another agency.

**10. Change of location**

A change in the location of agency's office or the client's office to another city may also lead to client turnover.

**11. New Advertising Agency**

When a new agency, comprising of highly creative personnel interest enters the advertising scene, the client may contract with the new agency.

**12. Human Tendency to change**

Some clients prefer not to contract with the same agency again & again. They change the agency just for the sake of changing & not due to some genuine cause.

**13. Withdrawal of product from market**

The client may withdraw the product from the market thereby closing the account with the concerned advertising agency.

**14. Lack of accreditation**

The agency especially if it a small one might not be accredited by Doordarshan and the INS. Hence, the client may prefer to move to bigger agencies which are accredited.

---

**5.4 CREATIVE PITCH**


---

**5.4.1 MEANING**

Pitching a process that started merely to compare creative services has today become a phenomenon deciding the fact of agencies. As the market gets more competitive and witness information overload, every marketer is looking for unique and clutter breaking solutions, Pitching is the window for an agency to enter into the client's world, and a perfect pitch gets them entry into the world.



**A creative pitch is a presentation that describes the concepts that a company (such as an agency) proposes to use to create a media program or promotional message. It refers to the presentation by advertising agency people to a prospective account.**

In this presentation, the agency person uses portfolio, slides, video, story board or other **devices to give information about:**

- **Organisational** set up.
- **Results** for other clients.
- **Types of accounts** handled.
- **Experience** of personnel.
- **Specialisation**
- **Fees** charged
- **Any other information** that is pertinent to winning the account.

The purpose of creative pitch is to win a client's business and thereby ensure a new stream of revenue.

#### **5.4.2 STEPS**

**The steps involved in preparing creative pitch are as under:**

##### **1. Locate clients**

The first step is to identify the prospective clients. New clients can be approached directly by putting advertisements in news papers, by referrals and so on.

##### **2. Research**

The advertising agency must undertake research about the prospective client i.e. the organization, its products, its objectives etc. Such a research helps in developing ideas and to make a better creative pitch.

##### **3. Discussion with the client**

If possible, the ad agency representative must try to meet the prospective client informally to ascertain what their needs are and their expectations from the advertising agency. Thereafter the agency may hold discussion with the client on services they can provide such as market research, planning and advertising campaign, sales promotion, testing advertising effectiveness and so on.

##### **4. Preparing outline of pitch**

After the discussion with the client, an outline of the pitch is made. The agency must try to make its pitch stand out from the crowd. It must avoid both gimmicks and jargons.

## **5. Making the pitch**

The agency then makes the final pitch. It must be creative, clear, simple and at the same time convincing. Clear headings, short paragraphs, numbered pages and an index at the front are essential.

## **6. Follow up**

Finally, the advertising agency must follow up with the client to find out whether or not they have got the contract. The follow up could be done through email, phone call or personal interaction. They must try to find out whether the client has any follow up questions.

---

## **5.5 AGENCY COMPENSATION**

---

The methods used to compensate the agencies for their services are

### **1. Commission**

This is the most traditional method of agency compensation. Under this method the agency is paid a fixed commission by the media on any advertising time or space purchased. The media owners pay 15% commission on gross billing amount of the advertising agency. However, only those agencies which are accredited are entitled to a commission of 15%. The rates for outdoor media are slightly higher i.e. 16.66%.

The working of commission method can be illustrated with the help of an example. Suppose an advertising agency prepares and places advertisement in a newspaper at an agreed charge of Rs. 50,000. The agency will collect the said amount from its client but will pay Rs. 42,500 (Rs 50,000 less 15%) to the media owner. The difference of Rs 7,500 is the commission income to the agency. The media owner may also offer a 2% cash discount for early payment, which the agency may pass on to its client.

### **2. Negotiated Fee**

Many agencies and their clients negotiate some type of fee system or cost plus arrangement for compensation. The fees negotiated by the agency covers all the expenses incurred as well as its profit margin. When the agency is not a recognized one, it may not receive normal media commission. In such a case, it is paid a negotiated fee for specialized services rendered.

This method is more objective as compared to the commission method. It is fair to both the parties i.e. the advertiser and the advertising agency. While the advertiser pays fees as per services provided, the agency gets a fair return. Generally, it includes costs incurred plus profit margin.

### 3. Agency charges

Apart from the cost incurred for booking time and space in media, an agency has to spend money on artwork, comprehensive layouts, and printing, filing radio or TV commercials and so on. In such case, the agency charges its clients for such expenses. The suppliers of such services may pay commission to the agency for large or regular orders. Thus, this method is profitable to the agency.

### 4. Cost-plus system

Under this methods, the client agrees to pay the agency the cost of work i.e. employee cost and out-of-pocket expenses plus a certain percentage of this amount say 20%.to 25% to cover overheads as well as profits of the agency.

This method is used when media billing is small and the client requires ample of agency service. This happens at the time of introducing a new product in the market or when the client needs non-commissionable work from the agency such as preparing catalogues, brochures etc.

### 5. Speculative charges

Under this method, the agency pays the bill on behalf of the advertiser during its difficult period. As and when the advertiser becomes financially stable, he is charged for the same. Such charges are called speculative charges. However, large agencies usually avoid such type of dealings.

## CHECK YOUR PROGRESS

1. "With the growth in ad agencies, competition for client's accounts is increasing". Discuss.
2. Enlist the reasons for client's turnover.
3. Define the following terms:
  - a. Client Turnover
  - b. Creative Pitch
  - c. Commission method
  - d. Speculative charges method
  - e. Cost-plus system
  - f. Agency Charges method
4. "Pitching is the window for an agency to enter into the client's world". Explain.

---

## 5.6 AGENCY ACCREDITATION

---

### 5.6.1 Meaning

Accreditation is a process in which certification of competency, authority, or credibility is presented. The certification of competence in a specified subject or areas of expertise, and of the integrity of an agency, firm, group, or person is awarded by a duly recognized and respected accrediting organization.

Agency accreditation refers to official recognition given to an advertising agency by authorities connected with advertising. In India, it is given by the Indian Newspaper Society (INS), All India Radio (AIR) and the Doordarshan as per the accreditation criteria decided.

It is not compulsory for an advertising agency to obtain accreditation. However, it is advisable to have accreditation as accreditation gives professional status to an agency. Accreditation indicates that the agency is observing high professional standards in its business operations. Further, it also follows the code of conduct.

### 5.6.2 Advantages of Accreditation

Accreditations to agencies offer the following advantages:

- The agency gets a professional status.
- The professional status enhances **goodwill** of the agency.
- Clients prefer accredited agencies as these agencies maintain high **professional standards** while conducting their business activities.
- Such an agency has better **media connections**.
- Only an accredited agency gets **15%** commission from the media owners.
- Further, it also gets better terms of **credit** from the media owners. For instance, it can make payment to the media owner up to 60 days after the date of advertisement.

### 5.6.3 Criteria for Accreditation

In order to be eligible for accreditation, an agency must satisfy the following criteria:

#### 1. Skill and Experience

- The agency executives must have sufficient training, professional experience and skill.

- It must employ skilled and trained personnel to handle advertising business.
- It has actually carried on business for a minimum period, for instance six months in case of INS.

## **2. Rules and Regulation**

The agency must follow the rules and regulations framed by INS, AIR and DD. Further, it must handle the business in accordance with the code of ethics adopted by INS, AIR and DD.

## **3. Minimum business limits**

The agency must have fulfilled the minimum business limits with INS, AIR, and DD.

### **5.6.4 Application and Declaration**

An advertising agency which desires to obtain accreditation has to submit an application to the concerned authority. Further, it has to make a declaration to abide by the rules and regulations in regard to accreditation and the code of ethics.

The agency is granted accreditation if it satisfies the recognition criteria.

### **5.6.5 Loss of Accreditation and its Restoration**

An accredited agency shall lose its recognition:

1. Upon its decision to disassociate itself as an accredited advertising agency.
2. Upon death or bankruptcy of the sole proprietor, dissolution of partnership firm or winding up of the company.
3. Upon the accredited advertising agency ceasing to do advertising business as provided for under the rules and regulations framed by DD/ AIR and INS.

The concerned authority shall always have to power to renew or restore full or provisional accreditation of any advertising agency subject to conditions that may be imposed for such renewal or restoration.

---

## **5.7 CAREER OPTIONS**

---

### **5.7.1 Introduction**

The field of advertising offers lucrative employment options. Advertising firms employ people with different educational background in various departments at various levels.

Possessing a professional Degree or Diploma in a particular field of study can give a head start in this industry. Further, flair for language and excellent communication skills are other factors essential for breaking into the realm of the advertising business.

### 5.7.2 Classification of Advertising Field

Advertising field offers a range of lucrative and interesting career options. The job in this field is categorized into two broad categories, namely, Executive and Creative.

#### 1. Executive

The executive side includes Client Servicing, Market Research, Media Research etc. The executive department understands requirements of the client, seeks new business opportunities and retains existing business. This department also selects the appropriate media, analyses timing and placement of advertisements, and negotiates the financial aspects of a business deal.

#### 2. Creative

The creative team comprises of copywriters, scriptwriters, visualizers, creative directors, photographers, typographers, animators, and so on. **The creative department creates the actual advertisement** in different media formats. They verbalize and visualize the specific need of the client.

To get into a specific department of an advertisement agency, one could choose from the following careers:

- Client Servicing: A post graduate diploma or an MBA in marketing.
- Studio: Course in commercial art or fine arts (BFA or MFA).
- Media: journalism, Mass Communication or an MBA.
- Finance: CA, ICWA, MBA (Finance).
- Films: Specialisation in audio visuals.
- Production: A course in printing and pre - press processes.

The best way to get into this field after a course is to get on- the- job training. All good institutions offer internship as part of the curriculum.

### 5.7.3 Essential Requirements

The first and the foremost requisite to take up a position in advertising world is to be creative. This creativity can be in any form, be it in language, communication skills, drawing, innovative thinking, and so on.

Advertising is the best career option for those who are enthusiastic, creative, optimistic, and have the ability to multi task. People skills are a vital requirement for this career as it

makes one understand what a client needs and also helps in effective decision making. An institution running advertising related courses can help train and develop students to pick up traits such as:

- Effective communication
- Presentation and management skills
- Team and leadership skills
- Stress and pressure management
- Persuasiveness
- Confidence
- Competitiveness

#### **5.7.4 Eligibility**

Eligibility for most of the advertising postgraduate courses is graduation in any discipline with a minimum of 50 percent marks. Admission to most of these courses is based on an entrance exam and/or interview. Some institutions also offer graduate level courses in advertising, for which they admit students who have cleared class XII.

#### **5.7.5 Job Prospect**

- Job opportunities in advertising include openings in private advertising agencies.
- Advertising departments of private and public sector companies.
- Job seekers can also find openings in advertising / marketing departments of newspapers, journals, magazines; commercial section of radio or television; market research organizations and so on.
- One can also work as a freelancer.

#### **5.7.6 Positives of advertising as a career**

- Challenging and satisfying job.
- Hefty growth prospects that are one of the best in the country.
- Heavy pay packets with project related incentives.

#### **5.7.7 Negatives of advertising as a career**

- An industry that is known for its extremely long working hours.
- High pressure and stress inducing work environment.

#### **5.7.8 Top companies**

Some of the giants in advertising and media planning that most students dream of working with are as follows:

Hindustan Thomson Associates (HTA), McCann Erickson, Leo Burnett, Grey, R. K. Swamy - BBDO, Bates, Rediffusion Dy and R, Lintas India Ltd., Ogilvy & Mather Ltd., and Mudra Communications Ltd.

---

## 5.8 CAREER OPTIONS IN ADVERTISING AGENCY, MEDIA AND SUPPLYING / SUPPORTING FIRMS

---

Following are some of the typical roles

### A. In an Advertising Agency

#### 1. Advertising Manager

The Advertising Manager **builds and implements the company's advertising strategy** from the business, sales and technical perspective. All the discussions with the sponsors and agencies are initiated and managed by the Advertising Manager. He negotiates agreements with outside sales representatives and manages the development of sales materials, including media kits.

#### 2. Advertising Sales Director

In addition to the role performed by the advertising manager, the Advertising Sales Director **plans budgets and projection for advertising.**

#### 3. Account Executive

The Account Executive is responsible for maintaining good relationships with current and potential advertising accounts/clients. He is also in-charge of developing relationships in order to acquire new accounts.

#### 4. Account Coordinator

The Account Coordinator is responsible for organising advertising for media. He co-ordinates scheduling and promotions to ensure client satisfaction and project completion. Assisting Account Executives in maintaining and nurturing client relationships is part of the job.

#### 5. Media Buyer

A Media Buyer deals with purchasing media space or time, as well as developing the campaign and researching how it will be most effective for the client. The job is to choose a combination of media which is able to communicate the client's message in the most effective manner possible at the minimum cost.



## **6. Copywriter**

A copywriter is responsible for writing the copy for advertisements, TV commercials or print ads. Copy is nothing but words used to promote the product or service. From taglines to brochures to press releases to a leaflet or a newsletter all of it is written by the copywriter. It is one of the most creative and challenging jobs.

### **B. In Media**

A lot of media options are available to communicate the advertising message to the target audience. Students have a wide choice if they want to choose media as a career. However certain skills & qualities are essential which include:

- Creative thinking
- Dedication and hard work
- Working in team

### **Courses for Media**

At the undergraduate level, majority of the institutes conduct Bachelor of Arts (BA) in Mass Communication course for the minimum three year' duration. Students can also opt for postgraduate level study in media through Master of Arts (MA) in Mass Communication. However, doctorate and diploma level courses are also offered by the institutes.

### **Some of the Institutes in India for Media Courses are:**

- Indian Institute of Mass Communication (IIMC),
- International School of Media and Entertainment,
- Pioneer Media School,
- International School of Business and Media,
- Xavier Institute of Communications,
- AJK Mass Communication Research Centre,
- Mudra Institute of Communications (MICA),
- Asian College of Journalism,
- The Times School of Journalism, etc.

### **Job Prospects in Media**

Media is certainly among the top career options among the young aspirants. After pursuing courses in the field, one can find various jobs prospects in both government and private sector.

Students can seek their career as journalist, marketing manager, community arts worker, social worker, personnel manager, charities administrator and many more.

### **C. Media Production House**

Media production involves making films and television serials, fictional and non-fictional programmes. Along with the technical expertise such as direction and editing, it is necessary to have facilities which include equipments and trained manpower required to create programmes. Networking with studios, technicians, actors and channels is also essential.

### **D. Brand Management**

Brand Management involves creating, managing and enhancing brands. It is the art of creating and sustaining a brand in way that it creates differentiation in the customer's minds resulting into brand loyalty. The typical function of a brand manager would be to focus on the big picture, take responsibility for a brand or brand family, map out their competitors in their brand's category, identify marketing opportunities and be able to effectively communicate the unique benefits of that product or service.

Some of the typical roles one can find in Brand Management would be:

#### **1. Brand Manager**

The planning and directing of marketing efforts for a brand is carried out by the Brand Manager. He is also responsible for coordinating activities of specialists in production, sales, advertising, promotion, research and development, marketing research, purchasing, distribution, package development, and finance.

#### **2. Product Development Manager**

A Product Development Manager is a planning and development specialist. His job is to develop marketing opportunities for consumer or industrial products. A Product Development Manager needs the skills and understanding in marketing research, sales forecasting, and promotional planning.

### **E. Public Relations**

The PR department is considered as the spokesperson of the company. It is responsible for managing communication with the media, consumers, employees, investors and the general public. Writing press releases to promote products or to keep investors informed about business partnerships, financial results or other company news is part of the job.

Some of the typical roles one can find in Public Relations are:

### **1. PR Specialist**

The Public Relations Specialist gives information about an organization through media. He is in-charge of writing press releases, speeches, planning special events, representing their company at press conferences and trade shows, tracking trends and looking for opportunities to receive media coverage.

### **2. PR Director**

The company's overall strategic public relation programs (Community relations, internal communications, media and investor relations) are developed and implemented by the public relations director. Other responsibilities include planning and budget management.

### **3. Corporate Communications Manager**

The task of a Corporate Communications Manager is to create and manage communications programs which describe as well as promote an organization and its products. Speeches/presentations aimed towards employees and consumers are made with his assistance.

### **4. Press Secretary**

A Press Secretary works as a liaison between the media, the public and governmental agencies. Requests from newspapers, radio and television reporters; drafting press releases, guest columns and speeches and organizing events such as press conferences are handled by him.

---

## **5.9 FREELANCING OPTIONS FOR CARRER IN ADVERTISING**

---

### **A. Market Research**

Market research involves researching the intended target, could be companies or consumers. The first step is to understand the consumers, their needs, purchasing habits, and how they view themselves in relation to the rest of the world. Some of the typical roles one can find in a Market Research agency would be

#### **1. Market Research Director**

An organization's marketing policies, objectives, and **initiatives are guided by the Market Research Director**. He is responsible for the adjustment of the marketing plan after reviewing changes in the marketplace.

#### **2. Market Research Manager**

The coordination and direction of activities concerned with

market research and the development of new concepts as well as organization's products, services or ideologies is carried out by a Market Research Manager. He is actively involved in the formulation and planning of development proposals which include objective or purpose of projects, costs of projects, equipments and manpower requirements.

### **3. Market Research Supervisor**

A Market Research Supervisor is actively involved in supervision of market research and analysis of information which would help in creating demand for products or services. He is responsible for planning and creating research aspects and development proposals.

### **4. Market Analyst**

The collection and analysis of data in order to evaluate existing or potential product and services markets is handled by a Market Analyst. They are actively involved in the identification and assessment of research market conditions or industry changes that have the potential to affect sales.

## **B. Graphics**

### **Meaning**

Graphic Design is the skill of creating visual communication. Visual communication takes many forms and includes logos, posters, brochures, books, websites, animations, motion graphics and even film and video.

### **Typical Career Options**

Creative, perceptive and energetic individuals may find career in advertising agencies, design studios, printing industry, publishing, packaging, display and exhibition-related design. Lately, opportunities exist in digital media and web design, whilst enterprising graduates practice freelance or open their own studios.

The following is a list of typical Graphic Design related career directions:

- 1. Graphic Design:** One can work as a Graphic Designer in a design studio developing logos, stationery, posters, brochures, catalogues and more. Good technical skills, creativity, and knowledge of Graphic Design processes are requirements for working in this field.
- 2. Advertising:** Work of an Art Director involves generating creative ideas and to oversee execution of these for television, radio, billboards and magazines. The emphasis lies on creative ability to come up with ideas. Further, skill is

required to direct teams of people including photographers and film directors.

3. **Publishing:** One can work as an Art Director in the magazine industry where one will be involved in layout, photography and production of publications. The candidate must possess a good mix of technical skills, design knowledge and have a good eye for photography and styling of photo shoots.
4. **Web Design:** One can also work as a Web Designer in a design/web design agency/studio. Strong technical understanding and creative solutions to technical restrictions are required in this field.
5. **Packaging:** Work of a Packaging Designer involves creating effective packaging which may promote the brand and help ensure product positioning in the market place. They must have a strong understanding of package-oriented production and printing processes.
6. **Multimedia:** Work as a Multimedia artist/ designer designing title sequences for TV shows and graphics for adverts. A Multimedia Artist uses computers to create the art, graphic design, animated images, or special effects seen in a variety of media productions, including movies, television, and computer games. A Multimedia Designer often works as part of a team to create rich web sites, CD-Roms, DVDs or exhibition materials.
7. **Print:** Work as a Prepress Specialist determining preparedness of documents before going to printing. It includes checking colours, gathering fonts, colour finishes, as well as other print industry foundations.
8. **Illustration:** Work as an Illustrator involves conceptualising, painting and drawing new images used for a variety of materials and publications. Artistic talent and knowledge of design programs such as Illustrator and Photoshop are prerequisites.
9. **Typography:** Work as a Type Designer involves creating unique fonts so that words will have a strong visual impact in addition to their implied meanings.

### C. Animation

A career in animation requires strong artistic skills and a solid familiarity with the latest in computer animation technologies. It also requires the ability to turn creative thoughts into compelling images, using them to effectively communicate an idea.

**There are a number of different career paths for animators.**

- Many animators are employed creating animated graphics for a variety of projects. This can include websites, online advertisements and video games.
- Animators can find full-time employment with movie or television production companies, with advertisers, web design firms, video game companies or with animation firms.
- Freelance work is another option for animators, particularly those specializing in web animation.

Most entry-level positions will require an animator to have a bachelor's degree in a related field such as fine arts or media. There are a number of Computer Animation Schools that offer course work specifically in computer animation and associated technologies.

**D. Modeling**

It is one of the most fascinating career options and extremely popular among youngsters. Good earnings and instant popularity are the main advantages that a career in modeling can offer. As modeling is also considered as a gateway for entry to the film industry the competition in the modeling career is also very high.

**Qualification & Qualities**

No specific qualification, course or age limit is required to enter into modeling field. However, physical attributes are more important. The first and foremost step is to prepare a portfolio. This consists of a series of photographs taken by a professional photographer. The portfolio can then be shown to an advertising agency or to a model coordinating agency.

**Types**

Modeling in India is mainly categorized into print modeling, television modeling, still modeling, showroom modeling, ramp/live modeling, advertising modeling etc. The job opportunities are available in product advertising, live fashion shows, music videos, in garment fairs and acting in television programs or films.

Besides models having wide experience in this industry can open school/institution for imparting training to aspiring models. Experienced models also can set up model coordinating agency for providing opportunities to aspiring models.

### **Institutes**

There are several modeling agencies in India that can give a good break to start the career in modeling. Some of the popular modeling agencies in India are Face 1, Mumbai; Ozone Models Management, Mumbai; Mayros Management Services, Mumbai; Catwalk, New Delhi; Platinum Models, New Delhi; Glitz, New Delhi.

### **E. Dubbing**

Dubbing is the post-production process of recording and replacing voices on a motion picture or television soundtrack subsequent to the original shooting. The term most commonly refers to the substitution of the voices of the actors shown on the screen by those of different performers, who may be speaking a different language.

Not only can dubbing be used to perfect audio sounds, but it is also used as one of the two major forms of "language transfer" In this case, dubbing becomes the replacement of the dialogue and narration of the foreign language, into the language of the viewing audience.

### **F. Printing**

If you are mechanically-minded, practical and like hands-on work in a creative environment, then printing is for you. You will utilise a sophisticated range of computer-managed printing machinery to print everything from books, brochures, newspapers, magazines, food and product packaging - practically anything you can think of.

**There are many types of printing processes depending on the sort of final product your employer's business produces.**

- Some businesses specialize in color magazines, brochures, posters and so on.
- Other manufacture labels for foodstuffs, bottles, clothing and ticketing.
- Some produce specialised items such as chip packets, frozen food wrapping and CD labels. All of these different processes require different types of equipment.

Most modern printing equipment is highly computer controlled, so the work is clean and able to be quality-controlled to a high degree. One will learn how to determine the type of paper or material that will be printed on, how to achieve the exact colour mixes required by the customer, how to produce the most accurate printing and how to use and maintain your equipment

Most printers begin their career with an apprenticeship leading to a Certificate IV in Printing & Graphic Arts.

---

## 5.10 SUMMARY

---

The agencies have to constantly search for new clients some of the ways of getting clients are: advertisement, referrals, presentations, by becoming the member of various associations, solicitations, by building image and reputation.

Client turnover means clients change their advertising agency it affects negatively on the agency. Dissatisfaction with the creative efforts, conflict on payment, handling the competitor's account, Personal Conflicts, Personnel changes in the staff, Unsuccessful Advertising Campaigns, Lack of Coordination & Communication, Inadequate Services, Insufficient Network of the agency, Change of location, New Advertising Agency, Human Tendency to change, Withdrawal of product from market, Lack of accreditation are the main reasons for turnover.

As the market gets more competitive and witness information overload, every marketer is looking for unique and clutter breaking solutions, Pitching is the window for an agency to enter into the client's world.

Commission, Negotiated fee, Agency charges, Cost-plus system, Speculative charges etc are the methods used to compensate the agencies for their services are.

Agency accreditation refers to the process in which certification of competency, authority, or credibility is presented.

The field of advertising offers lucrative employment options in the field of executive and creativity.

---

## 5.11 QUESTIONS

---

1. Explain the ways of getting clients.
2. Define Client Turnover. Discuss the reasons for Client Turnover.
3. What is Creative Pitch? Explain the steps in preparing Creative Pitch.
4. Explain the Freelancing career options in advertising field.
5. Write short notes:
  - a. Agency compensation
  - b. Agency accreditation
  - c. Career Options in advertising field





## **ECONOMIC AND SOCIAL ASPECTS OF ADVERTISING**

### **Unit structure:**

- 6.0 Objectives
- 6.1 Introduction
- 6.2 Effects of advertising on production cost
- 6.3 Ethical and social issues in advertising
- 6.4 Impact of advertising on Indian Values and Culture
- 6.5 Advertising and standard of living
- 6.6 Self-regulation Laws and Consumer protection and welfare
- 6.7 Pro Bono Advertising
- 6.8 Advertising Standard Council of India
- 6.9 Summary
- 6.10 Revision

---

### **6.0 OBJECTIVES**

---

After studying the unit the students will be able:

- To explain the effects of different costs on advertising
- To explain how society is affected by advertising both positive and negative way
- To explain the regulatory system in India with regards to advertising
- To explain Ethical and Social issues related to advertising

---

### **6.1 INTRODUCTION:**

---

Advertising involves huge cost. It is important to study the economic impact of advertising. Advertising plays an important role in an economy by making consumers aware of goods and services and providing them with information for decision making. Advertising has an impact on consumer demand, monopoly, competition and price. Advertising contributes to the wider economy through its ability to support competitiveness, providing consumers with information on products and services, and helps to increase their choice of goods and services.

## 6.2 EFFECTS OF ADVERTISING

### 6.2.1 Effects of Advertising on Production Cost

The term production cost refers to the cost incurred by producer in manufacturing of a product. Advertising does not contribute for increase in the cost of production. Advertising has indirect effects on production cost. Due to advertising, the firm may get higher demand, which may result in economies of scale. Thus per unit cost of production will come down. Following Table shows it very clearly how advertising is resulting in economies of scale.

**Table -1**

	Production in units	Material cost per unit (Rs.)	Labour cost per unit (Rs.)	Overcost per unit (Rs.)	Total cost of production per unit (Rs.)	Advertising expenses (Rs.)
Before Advertising	1000	50	60	70	180	Nil
After Advertising	2000	40	50	60	150	5000
After advertising	3000	30	40	50	120	10000
After advertising	4000	25	30	40	95	15000

#### Explanation on Table -1

Before advertising total production was 1000 units and cost per unit was Rs. 180/-

After advertising the demand for the product started increasing and production cost per unit started coming down. Thus advertising indirectly brings down the production cost from 180/- per unit to Rs. 95/- per unit. The gradual reduction in the cost of production is the net result of various factors such as optimum utilization of production capacity, large-scale purchase of raw material, introduction of labour saving devices and use of new technology.

### 6.2.2 Effects of Advertising on Distribution Cost

Advertising generate demand, which may increase the production resulting in increase in distribution. The advertising expenses will definitely add to the total distribution expenses. But the increase in distribution may lead to economies of scale. Thus the distribution cost per unit will come down.

**Table -2**

Particulars of expenses	Position before advertising (In Rs. )	Position after advertising (In Rs. )
Units distributed within one week	10,000	50,000
(a) Advertising expenses	Nil	7,500
(b) Sales force Salaries	8,000	15,000
(c) Other distribution expenses	2,000	2,500
Total cost of distribution	10,000	25,000
Per unit cost	1.00	0.50

Explanation -After the advertising the sales volume has increased from 10,000 units to 50,000 units per week resulting in reduction in cost per unit. Here it is from Rs. 1.00 to Rs. 0.50. Means there is benefits of Rs. 0.50 per unit.

### **6.2.3 Effects of Advertising on Consumer price**

Consumer price consists of production cost, selling and distribution costs and profit margin of the seller. An expenditure on advertising will increase marketing cost. But advertising leads to increase in demand and considering the demand for the product, producer go for large scale of production and distribution. As such they get economies of large scale. These economies are passed on partly to the consumers in the form of reduced prices.

### **6.2.4 Effects of Advertising on Monopoly and Competition**

It is argued that advertising is one factor responsible for the creation of monopolies. Advertising is used as a tool for creating brand loyalty. Due to such brand loyalty, consumers prefer one specific product and this restricts the entry of other firms. As a result, monopoly is created. Economist like Samuelson held that the very large advertisers create such brand loyalty that potential competitors find it very difficult to enter the market. But it does not happen all the time. There are many instances when a small manufacturer with limited advertising upsets the position of giants because of effective advertising appeal. Many local and regional advertisers compete successfully against large national advertisers. For example, Nirma Washing Powder made a successful entry in the national market. Hindustan Lever's Surf Brand dominated the market till the late sixties. Twelve years hence Nirma became a major force to reckon with. The success strategy of Nirma is large volume selling with low profit margins but high return on equity.

## 6.3 ETHICAL AND SOCIAL ISSUES IN ADVERTISING

### 6.3.1 Meaning

#### Ethics in Advertising

- A set of Moral values that guide thinking & action in a society at a given point in time.
- Ethics are dynamic.
- An advertisement is considered as unethical when:
  - It gives false information.
  - It degrades the rival's product or substitutes.
  - It is against the national and public interest.
  - It gives misleading information.
  - It is obscene or immoral

Ethics is a branch of social science that deals with moral principles and values. It is concerned with good and bad, with reference to particular culture at given point of time. Now a day, the main interest for advertisers is to increase the demand for the products. Most of the advertisements are found to be false, misleading customers, and unethical. Good advertising is one which is honest. It gives details of the products in a true manner. Many a times advertisers indulge in unethical advertising practices.



### 6.3.2 Forms of unethical advertising

#### a) Exaggeration

For example, 'Cleaning of a basket full of clothes with one soap', another example, 'X Bulb will serve for a life time'

#### b) Misrepresentation

For instance, some advertisers may state that their products are made from foreign components and sometimes they may declare that their products have won international prizes and awards.



#### c) Misleading Labels and names

For example, the 'Borolene' antiseptic cream label has been copied and its brand name imitated with such words as 'Boroqueen' such misleading names confuse the consumers as to the real manufacturers. A product may carry the famous country mark USA (United States of America). However, it may be a product of Ulhasnagar Sindh Association which is popular for duplicate products.



#### d) Misuse of Testimonials

Very often, phony testimonials from popular personalities like Film stars, Cricket stars etc. are used in advertisements. For example, Testimonials of the same personality appear on competitive brands

#### e) Free gifts, discounts and contests

For example, sometimes advertiser offers free gifts or product which are damaged or of old stock or of inferior quality. In case of prize winning contests, the decision of the Judges may be final in favour of their known contestants.

#### f) Total Lies

For example, Reduction of 10 kg weight within 8 days. Another example could be a company may advertise that millions of its readymade shirts have been sold. In fact, the company produces only a few thousands shirts a year.



#### g) Cheap and Vulgar advertising

The use of sex symbols, obscene photographs, reference to the most personal body functions of women are some examples of vulgar advertising.



**h) Advertising of harmful products**

For example, advertisement of Pan Masala, Gutka, Cigarettes and alcoholic drinks are indirectly advertised and promoted.

**i) Advertising to children**

For example, advertisements of so called junk food such as chocolates, candies, soft-drink etc. can affect their health adversely when consumed in large quantity.

**j) False statistics**

For example, Particular publisher has sold 5000 copies of books when hardly 700 copies are sold.

---

## **6.4 IMPACT OF ADVERTISING ON INDIAN VALUES AND CULTURE**

---

Advertising has close relationship with the cultural values. Advertising can be made effective by using various aspects of cultural background and values. Similarly, advertising can also harm and degrade our cultural background and value system. Critics of advertising argue that advertising is encouraging materialistic values at the cost of cultural values while supporters of advertising feel that advertising is supporting and strengthening our cultural heritage.

**6.4.1 Does advertising degrade our cultural values****It is argued that advertising:**

- a) Advertising supports materialistic values. They support enjoyment, selfish attitude for material gains, extensive use of money power for worldly pleasures, and utter disregard to work culture.
- b) Large number of advertisements show the permissive society of the west. It influences the people to adopt westernized way of life.
- c) C. There are many advertisements that are restricted by law e.g. liquor, cigarette is put in surrogate advertisement form. For example, Bagpiper Soda.
- d) Advertisements of harmful goods are shown in very attractive manner. For example, Tobacco, Pan Parag, Cigarettes which are harmful to health and life.





- e) Extensive advertising leads to severe competition among rival producers.
- f) In many advertisements woman is given passive role. It lowers the dignity of women.
- g) Undue importance is given to sex and nudity. Such advertisements create bad effects on younger generation and lead to crimes among the youth.
- h) Some advertisements show depict scenes of murder, rape and other acts of violence. This leads to harmful effects on the audience, particularly younger generation, and also harms our social and cultural values.

The points noted above indicate some sort of aggression of advertising on our cultural and social values.

• **Supporters of advertising argue that:**

- a) Some advertisements promote social welfare and social values. For example the advertisements related to AIDS, Family Planning, Drug abuse and Environment.

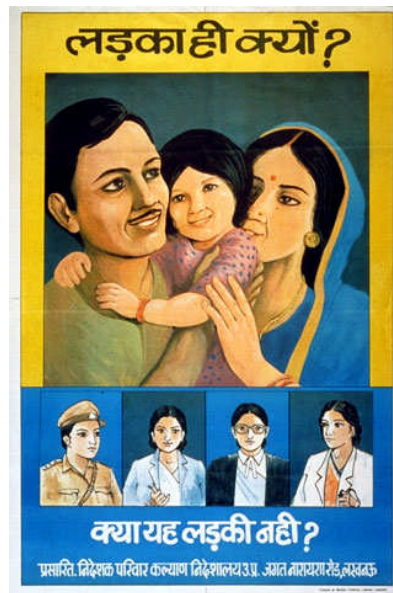




- b) Some advertisements support role of women in our society. For example, advertisements of medicines and washing powder show the care of mother for cleanliness and health of a child



- c) Many advertisements support herbal medicines. For example, advertisement of VICCO Toothpaste etc.
- d) Some advertisements create favourable attitude for women. For example, Amul Ghee shows a man making a surprise breakfast for his wife who is in bed.
- e) Some advertisements support equal importance of male and female child. This develops healthy social outlook on women.



- f) Advertisements related to Joint family and prominent role of women in the family and child care supports family life.

Some advertisements support sports and cultural activities and even sponsor such events.




---

## 6.5 SELF REGULATION LAWS AND CONSUMER PROTECTION AND WELFARE

---

In nearly all the countries, advertising regulation happens on many (many) levels. ... The Consumer Protection from Unfair Trading Regulations is a regulation designed to protect consumers against aggressive sales techniques, false or deceptive ad messages, as well as intentionally incomplete information. In order to prevent misuse of advertising media, self regulation is considered

vitality important in the absence of legislative control on advertising profession. There must be standards/ codes that provide guidelines to undertake ethical advertising. “Advertising and marketing self-regulation is a system by which the advertising, marketing, agency and media industry set voluntary rules and standards of practice that go beyond their legal obligations. Self-regulatory organizations (SROs) are responsible for enforcing industry's commitment to these rules.” The purpose of the Advertising Standards Code (Code) is to ensure that every advertisement is a responsible advertisement. All advertising must be legal, decent, honest and truthful and respect the principles of fair competition, so that the public can have confidence in advertising.

#### **6.5.1 Objectives of self-regulation:**

- A. Protecting the consumers
- B. Cancellation of accreditation of members who do not follow the code of conduct.
- C. Discouraging unethical advertisements. For example, vulgar and indecent advertisements .
- D. Taking action against the advertisers who advertise products hazardous to human health and life.

#### **6.5.2 Scope of Advertising regulations**

Some of the principle concepts of advertising and marketing law include truth in advertising and unfair trade practices. Here are several laws in India that relate to advertising. A snapshot of some of these enactments is provided here under

1. **Consumer Protection Act, 1986-** Section 6 of the Act grants consumers the right to be informed about the quality, quantity, potency, purity, standard and price of goods or services, as the case may be so as to protect the consumer against unfair trade practices. Section 2(r) of the Act, under the definition of the term “unfair trade practice”, covers the gamut of false advertisements including misrepresentations or false allurements. Redress against such unfair trade practices pertaining to false advertisements may be sought under the Act;
2. **Cigarettes and other Tobacco Products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) Act, 2003-** Section 5 of this Act, inter alia, prohibits both direct & indirect advertisement of tobacco products in all forms of audio, visual and print media;
3. **Cable Television Networks (Regulations) Act, 1995 and Cable Television Networks (Amendment) Rules, 2006-** Section 6 of the Cable Television Networks (Regulations) Act, 1995 provides that no person shall transmit or re-transmit through a cable service any advertisement unless such

advertisement is in conformity with the advertisement code prescribed under the Cable Television Networks (Amendment) Rules, 2006. Rule 7 of the Cable Television Networks (Amendment) Rules, 2006 lays down the “Advertising Code” for cable services which are formulated to conform to the laws of the country and to ensure that advertisements do not offend morality, decency and religious susceptibilities of the subscribers;

4. **Doordarshan/ All India Radio (AIR) Advertisement Code-** Doordarshan and AIR, both under the control of Prasar Bharati (a statutory autonomous body established under the Prasar Bharati Act), follow a comprehensive code for commercial advertisements which control the content and nature of advertisements that can be relayed over the agencies;
5. **Food Safety and Standards Act, 2006-** Section 53 of this Act provides a penalty of up to Rs. 10 lakhs for false and misleading advertisements relating to the description, nature, substance or quality of any food;
6. **Indecent Representation of Women (Prohibition) Act, 1986-** This Act is aimed at prohibiting indecent representation of women through advertisements or in publications, writings, paintings, figures or in any other manner and for matters connected therewith or incidental thereto (Section 3 and 4 of the Act).

Needless to say, the foregoing laws are in addition to applicable IPR laws and other relevant laws in general.

### **6.5.3 Regulatory Authorities**

Advertising Standards Council of India (ASCI) is a self regulatory voluntary organization of the advertising industry. The ASCI has drawn up a code for self regulation in the advertising industry with a purported view to achieve the acceptance of fair advertising practices in the best interests of the ultimate consumer. The ASCI also lays down similar codes for advertisements in specific sectors/industries from time to time. According to the ASCI code, complaints against deviant advertisements can be made by any person who considers them to be false, misleading, offensive, or unfair. The Consumer Complaints Council (CCC) considers and decides on the complaints received from the general public including government officials, consumer groups, complaints from one advertiser against another and even suo moto complaints from the member of the ASCI Board or CCC.

## 6.6 PRO BONO ADVERTISING (Social advertising)

### 6.6.1 Meaning :

Social advertising is also called as Pro Bono Advertising. Pro Bono is a shorten version of Latin word -Pro Bono Publico -which means 'for the good of public'.



Social advertising is non-commercial in nature. It is aimed for social benefits. Such advertisements are primarily designed to inform and educate rather than sell a product or service. Such social issues are as follows :

1. Environmental protection
2. Safe driving
3. AIDS awareness
4. Family planning
5. National integration
6. Anti -Dowry Programs
7. Water Conservation
8. Energy Conservation



#### 6.6.2 Advantages:

1. Social advertisement is undertaken for the benefits of the society. It results in Brand identity and Goodwill.
2. Social advertising can be used as a tool for generating Brand loyalty.
3. A company undertaking advertising for social causes is perceived positively by people. It leads to increase in profits of the company.
4. Positive brand identification is another reason for companies to undertake advertising for social causes.
5. Social advertising informs people about the social welfare activities undertaken by the company.

### Betiyan ke Mata-Pita Suniye...

दहेज || Abb Ek vi Betiya  
 Dahej Ki Agg Main  
 DOWRY Jalae Nehi Jayegee ||

**FIGHT AGAINST DOWRY**

---

## 6.7 ADVERTISING STANDARD COUNCIL OF INDIA:

---

Advertising Standard Council of India (ASCI) is a professional body set up by advertisers, advertising agencies, Newspapers, Magazines and other involved in advertising. It was set up in 1985. The ASCI has been established to monitor and discourage untruthful advertisements. It ensures that advertising follows the principles of truth and social morality. The council has drawn up a code of self-regulation to ensure the truth-fullness and honesty of representations and claim made by advertisements and to safe guard consumers against misleading and fraudulent advertising. And to ensure that advertisements are not offensive to generally accepted standards of public decency.

---

## 6.8 REVISION:

---

### A) When should price be advertised?

**Answer:** When the quality is not an issue, or if the product is high quality, the reason for the low price should be explained.

### B) What do you uunderstand by Surrogate Advertising?

**Answer: Surrogate** advertising is an indirect form of advertising, which is used in situations where advertising will be legally banned.

### C) What is the Truth involved in Advertising rules which applies to Advertisers?

**Answer:**

1. Advertisers should always ensure the following is kept in mind before advertising.
2. Advertising must always be highly truthful non-deceptive.
3. Ads should be a fair deal.
4. Advertisers should always keep backups on the claims and have evidence for their advertising.

### D) What is the main cause for aadvertisement to be deceptive?

**Answer: An** ad is deceptive when it omits any information or contains any wrong statement. As it is likely to mislead the customers who will be reacting reasonably under various circumstances and which will help the customer to analyze and decide whether to buy or use the product.

### E) What makes an Advertisement unfair?

**Answer:** If it is likely to cause a substantial injury to the customer, which consumer cannot avoid. If it not beneficial to the customer



---

## 6.9 SUMMARY

---

Advertising contributes to the wider economy through its ability to support competitiveness, providing consumers with information on products and services, and helps to increase their choice of goods and services. Advertising has an impact on consumer demand, monopoly, competition and price. Now a day, the main interest for advertisers is to increase the demand for the products. Most of the advertisements are found to be false, misleading customers and unethical. Advertising can be made effective by using various aspects of cultural background and values. Similarly, advertising can also harm and degrade our cultural background and value system. Advertising Standards Council of India (ASCI) is a self regulatory voluntary organization of the advertising industry. The ASCI has drawn up a code for self regulation in the advertising industry with a purported view to achieve the acceptance of fair advertising practices in the best interests of the ultimate consumer. The ASCI also lays down similar codes for advertisements in specific sectors/industries from time to time.

---

## 6.10 EXERCISE

---

1. Explain the economic effects of advertising on production and distribution cost
2. What is waste in advertising? Explain the reasons of waste in advertising.
3. 'Advertising has an adverse effect on our values and life-styles' Comment
4. Explain the importance of self-regulation laws in consumer's protection
5. Write note on:
  - a) Advertising and consumer price.
  - b) Ethics in advertng
  - c) ASCI





## BRAND BUILDING AND SPECIAL PURPOSE ADVERTISING

### Unit structure:

- 7.0 Objectives
- 7.1 Introduction
- 7.2 The communication process
- 7.3 AIDA Model
- 7.4 Role of advertising in developing Brand image and brand equity
- 7.5 Brand Equity
- 7.6 Managing brand crises
- 7.7 Special purpose advertising
- 7.7 Rural advertising
- 7.8 Political advertising
- 7.9 Corporate image advertising
- 7.10 Green Advertising
- 7.11 Trends in advertising
- 7.12 Summery
- 7.13 Exercise

---

### 7.0 OBJECTIVES

---

After studying the unit the students will be able:

- To understand the concept of Brand Building
- To explain the role of advertising in brand building
- To identify special purpose advertising
- To understand the latest trends in advertising

---

### 7.1 INTRODUCTION

---

A brand is the sum total of everything which a company does and that signifies the good and the bad to create a distinct presence in the mind of a consumer. To build a brand requires a strategic vision, a clear focus on how you would want your brand to be perceived and its strong value propositions. Brand Building is not an overnight job. It has to maintain its relevancy over time. Only then can it sustain its existence. In competitive times when every product

manufactured is good in quality, only a distinct identity created for a brand can make it a consumer's first choice. Over a period of time, the product gets identified with certain qualities and this creates a distinct brand identity for the product and company. The American Marketing Association describes the brand as a "Name, term, sign, symbol or design or a combination of them intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of other sellers".

**Example:** The Nike swoosh, The McDonalds "M", The Mercedes emblem.



A brand represents value, culture, personality. Brands make it easier for consumers to identify products and services. Brands ensure a comparable quality. For example, Shoes by BATA, Woodland, Colgate toothpaste from Colgate Palmolive, Samsung mobile handsets by Samsung, Lux beauty soap by HUL. Another example is Dabur. Dabur Company is dedicated to Ayurvedic solutions for various consumer needs.

**Example:**

Dabur Hajmola – for digestion,  
Dabur Amla hair oil – for strong hair  
Dabur Honey – for good health.

---

## 7.2 THE COMMUNICATION PROCESS

---

Communication comes from the Latin word 'Communis' which means common. In communication we are trying to share information, an idea or opinion.

Communication always requires four elements. The elements in the advertising communication process are:

1) Sender -The sender i.e. advertiser encodes the advertising messages and transmit them to the target audience through selected media.

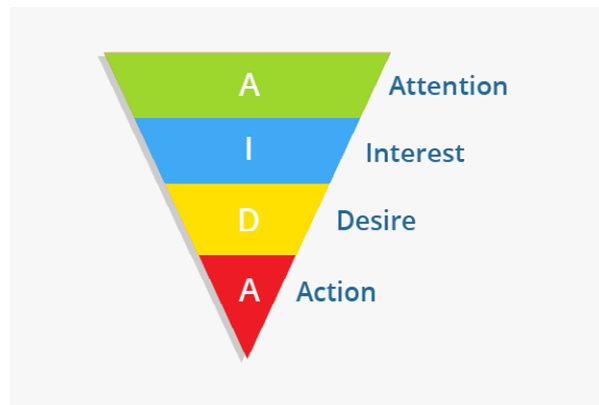
- 2) The Message-With the help of advertising agency advertiser comes up with creative and effective advertising message.
- 3) Medium-Medium means media of advertising through which advertising messages are transmitted by the advertiser to the audience.
- 4) The receiver-The audience is the receiver in the advertising communication. The receiver may be readers, listeners or viewers.

---

### 7.3 AIDA MODEL

---

The AIDA is a model used in marketing that describes the steps a customer goes through in the process of purchasing a product. The AIDA model has been in use since the late 19th century. AIDA model has been developed by E.K. Strong in his book 'The Psychology of selling'. AIDA is an acronym which stands for:



#### 1. Attract attention:

The product must attract the consumer's attention. This is done via the advertising materials. It is a type of "eye catcher." It could be attractive Headline, Attractive illustration (Cartoons, Natural scenes) etc. Examples: a window designed in a striking way, a sensational YouTube clip, or a themed newsletter, or a graphic on a landing page.



## 2. Maintain interest:

In the first phase, the attention of the potential customer is piqued; their interest in the product or service should be aroused. This is achieved by creating an understanding of the benefits of the product in relation to the needs of the customer. Example: detailed information of the product like Quality, Price, Size, Uses of the product etc.

## 2. Create desire:

If interest in the product is aroused, it is the seller's task to persuade the customer that they want to own this product. In the best-case scenario, the advertisement or the product itself creates the desire to purchase. The desire can be created by Offering discounts on purchases, Free gifts, Offering Guarantee / Warranty, Use of Testimonials from reputed personalities etc.



## 3. Take action:

As soon as the desire to buy is aroused, this must be transferred into an action, that is, the purchase. In the case of online shops, this would ultimately be the shopping cart process, in which a customer is lead to a conversion. The ad should end on an active note , such as 'Get one today' 'Hurry up, the last date'



## 7.4 ROLE OF ADVERTISING IN DEVELOPING BRAND IMAGE AND BRAND EQUITY

A major objective of advertising is brand building. Brand building involves developing brand's core values in the minds of target audience. Brand image is a mental picture or perception of brand in the mind of the customers. It creates a differentiation in the minds of customers and makes it a choice above the others in the same product class. Also Brands offer "value proposition". We buy for emotional reasons, self expressive reasons and factual reasons. Example: For Volvo buyers, it is safety. For Big Bazaar Loyalists, it is value for money. For AXE users, it defines them.

### BRAND PILLAR EXAMPLES



Quality, integrity and innovation



Inspire creativity, passion, optimism and fun



Quality, value, and reliability



#### 7.4.1 Techniques of developing brand image

- a. **Creativity in advertising** -Creative advertisements create good brand image. For example, Amul Butter, Vodafone, Cadburys Dairy Milk etc.
- b. **Brand awareness** -Brand awareness is the extent to which a brand is recognised by the existing and potential customers.
- c. **Media selection**-The quality of media or programmes sponsored may influence the brand image. For example, Raymond Suiting may advertise in Business Magazines, but not in a cheap local magazine.
- d. **Symbols or Logos**- The Symbols or Logos also facilitate instant brand recognition and recall. For example, McDonalds, Mercedes, MRF Tyres etc.
- e. **Sponsoring of events** -The event sponsored by the brand /company can affect the image. For example, Tennis Tournament sponsored by Rolex Watches.

- f. **F. Brand Positioning** -Brand positioning helps a brand to achieve a unique position that makes it stand out among the crowd and give it a sort of exclusivity.
- g. **G. Brand Loyalty** - Brand loyalty occurs when customer repeatedly purchase the same product instead of competing substitute product.

---

## 7.5 BRAND EQUITY

---

### 7.5.1 Meaning

Edward Tauber defines brand equity as, 'The incremental value of a business above the value of its physical assets due to the market position achieved by its brand and the extension potential of the brand' Brand equity indicates the strength of the brand in the market place. A strong brand has high brand equity. Consumers are ready to pay a premium price for a brand with high equity.

### 7.5.2 Factors affecting brand equity

1. **Brand Image-** Brand image is overall impression of the brand in the minds of consumers. Positive brand image enhances the goodwill and brand value.
2. **After-sale Service-**The after -sale-service provided by the company can make a difference in brand equity.
3. **Brand Patent-**Patenting the product gives exclusive marketing rights for certain number of years. Other companies can not sell similar product in the market without the permission of patent holder.
4. **Perceived Quality-** A brand will have associated with it a perception of overall quality not necessarily based on the knowledge of detailed specifications. Perceived quality will directly influence purchase decisions and brand loyalty, especially when a buyer is not motivated or able to conduct a detailed analysis. It can also support a premium price which, in turn, can create gross margin that can be reinvested in brand equity.
5. **Brand Association-**The underlying value of a brand name is often based on specific associations linked to it. Associations such as Ronald McDonald can create a positive attitude or feeling that can become linked to a brand such as McDonald's. If a brand is well positioned on a key attribute in the product class (such as service backup or technological superiority), competitors will find it hard to attack.

### 7.5.3 Managing Brand crisis

Brand crisis is a form of product-harm crisis where the negative event centres on one particular brand or set of brands belonging to the same company. In other words, whenever there are "unexpected events that threaten a brand's perceived ability to

deliver expected benefits, thereby weakening brand equity.” In 2016 Maggie received a notice from Food Safety Commissioner of Uttar Pradesh claiming that a package of noodles had been found to contain lead which was seven times above the permissible limit and they recalled the batch. A temporary ban was also put on Maggie and it was pronounced as ‘Unsafe and Hazardous for human consumption.



#### 7.5.4 Following are the ways to manage brand crisis

- a. **First contact list** - Usually in a crisis we need to tread carefully with communications. Rushing out a public-facing press release can easily go wrong. Often we can take a bit of time before putting out a detailed response to the world. But for other stakeholders, be they suppliers, investors, or major clients, we need to be quicker in reassuring them about what’s going on. There’s nothing worse than dealing with an angry public and jittery investor at the same time. Put together a list of all the people who will need to be contacted as soon as possible in the case of a problem. Think about the best person internally to contact them and make sure they’re included in all discussions around the crisis.
- b. **Appoint a spoke person** -Speaking of set roles, we need to choose someone who will be company’s spokesperson. How we perceive a message is heavily influenced by the person delivering it. They could be telling the entire truth, but if their voice is shaky or they look nervous, we instantly doubt what’s coming out of their mouth. Very few people are naturally good at facing a hostile press.
- c. **Use social media**- According to an ODM study, 65% of respondents think social media makes a crisis worse. But 55% think it makes a crisis easier to deal with after. And that pretty much sums it up. Information, correct or incorrect, spreads like lightning through social media. This can make things difficult to control, which is why the guide suggests setting up monitoring in

advance. Social media platforms are a double-edged sword in a crisis. We need to ensure that it is used properly.

- d. **Focus on facts** -Any negative publicity can effectively be countered by showcasing the facts about the issue. Ideally a third party endorsing the contention of the company can also have a positive impact on controlling damage.
- e. **A clear and organized team**-A crisis hits and the sooner we act the better. But who needs to know first? Who needs to start drafting a response? Who needs to investigate the issue? A structured team with set roles for everyone is important. This stops confusion taking hold from the off and keeps everyone on their own task.

### 7.5.5 Advantages of Branding:

1. Brands allow consumers to distinguish between various Company offerings. (e.g. Sunsilk, L'oreal shampoo)
2. Brands helps consumers to make a quick choice.
3. Experiencing various brands help consumers to compare its quality standards. (Colgate toothpaste)
4. If consumers have the slightest doubt about the performance of the product they decide not to buy it. (e.g. 2015 Maggi noodles controversy)
5. Brands helps consumers to express their social-psychological needs like
  - (a) Social status (Honda car), (b) Success (Rao's Academy), (c) Young (Pepsi)
6. Once the brand creates credibility for itself in the mind of its consumers, automatically it will create loyalty among consumers, which in turn, will always support the increase in the revenue generating capacity of the brand (e.g. Tata, HUL)

---

## 7.6 SPECIAL PURPOSE ADVERTISING

---

Special purpose advertising includes Rural advertising, Political advertising, Corporate image advertising, Green advertising, Online advertising, Digital media advertising, Use of Mobile devices, Social media etc.

---

## 7.7 RURAL ADVERTISING

---

### 7.7.1 Meaning

According to the 2011 census of India 68.84% of Indians (around 833.1 million people) live in rural area. There are 6,40,867 villages which have thin population density and are widely spread



over large remote areas. There exists diversity with respect to caste, religion, language; social custom etc. 'Go rural' is the marketer's new slogan. Indian marketers as well as multinationals, such as Colgate-Palmolive, Godrej and Hindustan Lever have focused on rural markets. Thus, looking at the opportunities, which rural markets offer to the marketers, it can be said that the future is very promising for those who can understand the dynamics of rural markets and exploit them to their best advantage.

### 7.7.2 Features of rural advertising:

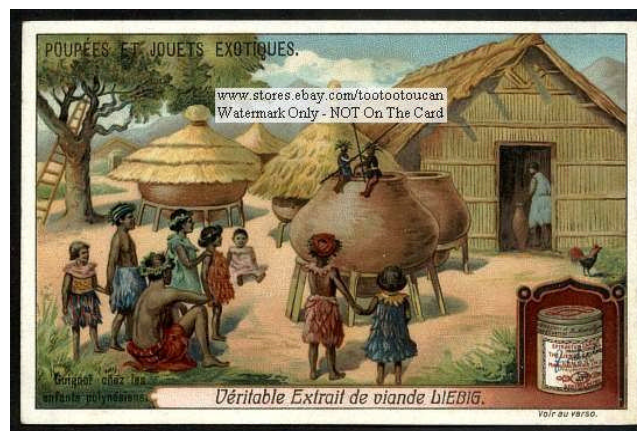
- a. **Rural masses** -The rate of increase in rural population is also greater than that of urban population. The rural population is scattered in over 6 lakhs villages. The rural population is highly scattered, but holds a big promise for the marketers.
- b. **Diverse Culture**-Indian rural market is very diverse. There exists lot of differences based on customs, traditions, beliefs, morals, practice and so on. So finding a common theme to appeals to such diverse audience is huge challenge



- c. **Local language**-In order to communicate effectively in rural areas, it is essential to make use of local language. Use of 'English' or 'Hindi' in advertisements may not be effective. So not

only the language used in these ads must be local, but also the setting must be local.

- d. **Traditional media** -Traditional media like Puppetry, Folk Theatre, Wall Paintings, ads on vehicles etc. are used for promoting products. Such media has a local reach and is relatively inexpensive. Local advertisers can use these media effectively.
- e. **Development of Infrastructure**-There is development of infrastructure facilities such as construction of roads and transportation, communication network, rural electrification and public service projects in rural India, which has increased the scope of rural marketing.



- f. **Low standard of living**-The standard of living of rural areas is low and rural consumers have diverse socioeconomic backwardness. This is different in different parts of the country. A consumer in a village area has a low standard of living because of low literacy, low per-capita income, social backwardness and low savings.
- g. **Traditional outlook**-The rural consumer values old customs and traditions. They do not prefer changes. Gradually, the rural population is changing its demand pattern, and there is demand for branded products in villages

---

## 7.8 POLITICAL ADVERTISING

---

### 7.8.1 Meaning

Political advertising is one whose central focus is in the marketing of ideas, attitudes, and concerns about public issues, including political concepts and political conditions. In politics, campaign advertising is the use of an advertising campaign through the media to influence a political debate, and ultimately, voters. These ads are designed by political consultants and political campaign staff. In other words, Political advertising includes any

advertising displays, newspaper ads, billboards, signs, brochures, articles, tabloids, flyers, letters, radio or television presentations, digital or social media advertising, or other means of mass communication, used for the purpose of appealing, directly or indirectly, for votes or for financial or other support in any election campaign.

### The political campaign that bloomed



#### 7.8.2 General Requirements

- Most political advertising requires sponsor identification (a brief message that explains who paid for the ad). The type of ad, print, broadcast, etc., determines how the sponsor ID must be displayed.
- All political advertising about a candidate for partisan office must identify the candidate's party preference. There are no exemptions.
- Statements about candidates in political advertisements must be truthful.
- When candidate photos appear in political ads, at least one photo must have been taken in the last five years and it can be no smaller than the largest photo in the ad.

## 7.9 CORPORATE IMAGE ADVERTISING

### 7.9.1 Meaning

Corporate image advertising is also known as institutional advertising. It is a type of advertising that does not focus on specific product, but on the corporate image of the advertiser. The basic purpose is to generate a positive opinion of the company in the minds of the people. In other words, it is a type of advertising intended to promote a company, corporation, business, institution, organization or other similar entity. Such advertising does not attempt to sell anything directly. Institutional advertising focuses on touting the benefits, ideas, or philosophies of your business, or its entire industry, to enhance or repair its reputation rather than selling a product or service. Since institutional advertising attempts to build a positive image, it's closely related to public relations.



### 7.9.2 Objectives of Institutional Advertising

- The first and foremost objective of Institutional Advertising is to promote the image of a business as a whole rather than of a single product or service.
- The business also tries to promote its mission, vision as well as its philosophies and principles.
- Institutional advertising is also an effective way to create and maintain goodwill about the organization in the market.
- Organizations also use this kind of advertising to promote good qualities such as reliability, low prices or good customer care, that distinguish it from its competitors.

### 7.9.3 Features of institutional advertising are as follows:

- Focus on corporate name** -The focus of Institutional Advertising is to boost the image of a enterprise as a whole rather than of a single product or service.



- b. **Contents** -It includes research and development activities, social welfare activities etc. of the company.
- c. **Non controversial** -Since only the achievements of the company are highlighted the question of allegations and counter allegations does not arise.
- d. **Media used** -The media used in corporate image advertising is mostly print, I.e., Newspapers and Magazines
- e. **Directed towards-** Institutional advertising is directed towards several groups such as users of the products, suppliers, investors, Government and general public.

---

## 7.10 GREEN ADVERTISING

---

### 7.10.1 Meaning

Green advertising is a specific type of advertising that is centred around the promotion of factors having to do with environment. It refers to advertising of eco-friendly products. A specific type of advertising that is centred around the promotion of factors having to do with the environment. Oftentimes the companies that use green advertising also use very environmentally friendly operations and product packaging as well.



An important point to note here is that the product is not required to do anything with environment. It is more related to the psychological aspect of a customer that if a product addresses the environmental concerns then it is better. We can even see the companies which cause pollution advertising their product using green advertising to create a positive image in front of customers and present themselves in a good light. Green Advertising helps to attract consumer by highlighting green features and eco- friendly products that are safe for environment as well as consumers. Green Advertising has a positive impact on consumers purchase intentions and builds strong trust between the two.

### 7.10.2 Green advertising can be used in two ways:

- a. Show that the product is made up of natural resources and is herbal and environmental friendly. This helps in positioning product as natural and better.

- b. Show that a company is concerned for environmental degradation and we are working towards it either directly or indirectly. In this way, companies either make products which helps environment or they invest the money or resources in environment protection activities.

### 7.10.3 Features

- a. **Purpose** -It promotes environmental friendly products.
- b. **Certificate displayed** - The certificate or logo indicating environment friendly product is displayed
- c. **Implied Claim**-This is an implied of communicating about the product being environment friendly.
- d. **Social responsibility**- Social objective of business is achieved.

---

## 7.11 TRENDS IN ADVERTISING

---

Advertising media is witnessing convergence of media. Convergence allows one media outlet to take advantage of features and benefits offered through other media outlets. For example, there is convergence of television and internet. In the case of some television programs, one can see the same program on the television, and another person can see it on the internet.

### 7.11.1 Online advertising

Online advertising is also called as web advertising is a form of advertising that makes use of the internet to deliver promotional messages to consumers. In other words, online advertising which is also called online marketing or Internet advertising or web advertising is a form of marketing and advertising which uses the Internet to deliver promotional marketing messages to consumers.

Online advertising helps businesses in targeting global customers. Business firm can operate business from anywhere in the world and serve its customers across globe if it has powerful presence online. Therefore, online advertising serves the aspirations of getting global exposure within very short span of time. Nowadays online advertising is a popular trend among all business owners. Online advertising has emerged as one of the most powerful tool of advertising. This is because the wide reach of Internet and online advertising websites. The dependency of people over Internet has increased drastically. They now knock the doors of search engines or various online service providers in any specific domain of their interest. Therefore, having a powerful online presence helps business owners or online traders in getting more and more number of customers for their particular products and services.



There are different forms of Internet Advertising. Banner advertising and pop-up ads are now matter of past. They are still present and equally popular as they were before, but now the stress is on search engines based advertising. People now understand that if they are getting top search engine ranks in almost every popular search engine, then no one can stop them from getting success in their business.

#### 7.11.2. Digital media advertising

Digital media advertising also referred to as e-advertising is the use of electric channels to promote products. Such advertising is digitally displayed. Digital advertising technology exists on the internet, smart phones, and even on automobiles and billboards. In other words, Digital advertising includes promotional advertisements and messages delivered through email, social media websites, online advertising on search engines, banner ads on mobile or Web sites and affiliates programs.



### 7.11.3 Mobile devices

Mobile advertising is a form of advertising via mobile phones or other mobile devices. Mobile advertising takes place as text ads via SMS, Multimedia messages via MMS, or Banner advertisement that appear in mobile web site, in download apps or in mobile games.

### 7.11.4 Social media

Social network advertising is a form of online advertising through social networking sites. Popular social media sites, Facebook, Twitter, and You tube offer different ways to advertise brands. Facebook is one of the biggest players in digital advertising.

---

## 7.12 SUMMARY

---

A brand is the sum total of everything which a company does and that signifies the good and the bad to create a distinct presence in the mind of a consumer. The AIDA is a model used in marketing that describes the steps a customer goes through in the process of purchasing a product. AIDA is an acronym which stands for A-Attention, I-Interest, D-Desire; A-Action. A major objective of advertising is brand building. A strong brand has high brand equity. Special purpose advertising includes Rural advertising, Political advertising, Corporate image advertising, Green advertising, Online advertising, Digital media advertising, Use of Mobile devices, Social media etc.

---

## 7.13 EXERCISE

---

1. Explain in detail the communication process in advertising
2. Discuss the AIDA model
3. Explain the role of advertising in developing brand image?
4. What is brand equity? What are the factors affecting brand equity?
5. Explain the features of rural marketing
6. What is political advertising? What are its features?
7. What is Green advertising? What are its features?





## **MEDIA IN ADVERTISING**

### **Unit structure:**

- 8.0 Objectives
- 8.1 Introduction
- 8.2 Print Media
- 8.3 Broadcasting Media
- 8.4 Out - of - Home (OOH) / Outdoor Advertising
- 8.5 New Age Media / Digital Media / Internet Advertising
- 8.6 Media Research
- 8.7 Audit Bureau of circulation (ABC)
- 8.8 Doordarshan Code
- 8.9 Summary
- 8.10 Exercise

---

### **8.0 OBJECTIVES**

---

After studying the unit students will be able to:

- Know different media traditional media along with its advantages and limitations
- Explain forms of internet advertising along with its significance and limitations
- Analyse importance of media research
- Understand the Audit Bureau of Circulation (ABC) and Doordarshan Code

---

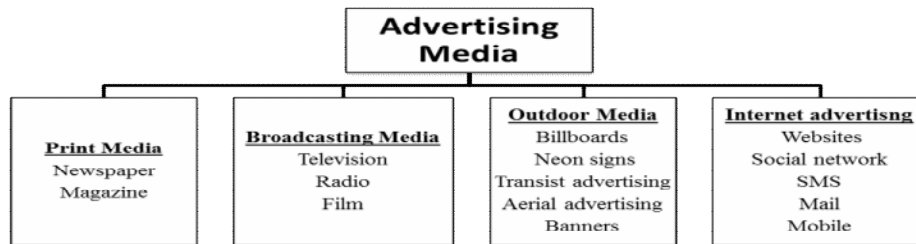
### **8.1 INTRODUCTION**

---

Media refers to a platform or medium through which a message can be sent to a large audience at a same time. It is a tool used widely to communicate to the viewers, listeners and consumers. Advertising media refers to various advertising vehicles or medium used to promote about product and services offered by advertiser. When a combination of media is used to deliver the message to a target audience it is called as media mix. The objectives of advertising media are as follows:

1. To inform and educate the general public
2. To promote about goods and services offered
3. To capture the target audience by selecting appropriate media
4. To select the suitable media vehicle for promoting the goods

Different forms of media are as follows:




---

## 8.2 PRINT MEDIA

---

### 8.2.1 Meaning

In print advertisements, the promotion of goods is done through print form i.e. on paper. It includes advertisements published in newspaper, magazines, journals, books etc. Among all print media newspaper is most popular one followed by magazine advertisement. The advertiser prefers print advertisement as it reaches majority of the houses.

### 8.2.2 Newspaper Advertising

Newspaper gives a complete package to a reader, which gives them a combination of news, views, opinion, comments etc. They are also available in various languages which makes them more popular especially among urban areas.

- **Advantages of Newspaper Advertising**

- 1) **Economical:** The rate of newspaper advertisement is cheaper as compared to broadcasting media. The rate of newspaper advertisement will vary depending upon following factors:
  - Popularity of the newspaper
  - Size of the advertisement
  - Which section of the newspaper advertisement appears.
  - Creativity of colours used.
- 2) **Mobile in nature:** Newspaper can be easily carried from one place to another. Therefore, the advertisement published in newspaper can have wider scope. For instance, the advertisement placed in newspaper can be read by many. Thus, by purchasing one newspaper all family members and even neighbors or guest can also read.
- 3) **Effectiveness of advertisements:** The effectiveness of advertisement can be checked by conducting pre and post sale analysis. For instance, the sales prior to the advertisement must be recorded and same can be compared with the sales after giving the advertisement in the newspaper. If the results are not as per expectations, corrective steps can be taken.

- 4) **Longer life:** As compared to other media newspaper advertisement has longer life.i.e. for 24 hours. This will help advertiser to reach out at larger scale readers at a same time. Hence, reader can read newspaper at any point of time.
- 5) **Detailed information:** A detailed advertisement can be given in newspaper. The features, price, terms and conditions etc can be written in detail. The advertiser can also give details about other products offered by company.
- 6) **Wide coverage:** Newspaper capture certain geographical areas i.e. it reaches from local to regional and then to national level. Thus, having wider coverage at different age groups, income levels and rural as well as urban areas.
- 7) **Flexibility:** The editorial team accepts changes to be made in newspaper advertisement even one-day prior. Therefore, it gives the advantage of flexibility to advertiser, where a last minute changes are accepted.
- 8) **Reference value:** Newspaper advertisement provides reference value to the readers. Readers can cut it and keep it for reference in future. The same cutting can be shared with relatives, friends etc.
- 9) **Reliability:** The advertisement placed in newspapers is highly reliable as it is monitored by ABC (Audit Bureau Circulation). It generates confidence in the minds of advertiser and customers rely on the ad given.
- 10) **Status:** Every newspaper, holds a particular status in the market, hence, depending upon the popularity of the newspaper, ad can be placed. It will help advertiser to get good response from the readers.

- **Limitations / Disadvantages of Newspaper Advertising**

- 1) **No demonstration of the product:** It is not possible to display the demonstration or the usage of the product in the newspaper ad. Whereas, certain products need to have a demonstration. Therefore, newspaper advertising is not suitable for all the products.
- 2) **Reducing interest:** Nowadays, the demand for newspaper is declining because of instant news, messages which are sent through social media and other applications. Since the demand is reducing the promotion of goods will not be reaching at mass level.

- 3) **High competition:** The competition among media is high and newspaper advertisement faces lot of difficulty to cope up with the competition. The broadcasting media attracts huge audience as they have audio and video effects.
- 4) **Quick reading:** The main objective of newspaper is to spread current news, stories etc to readers. Reading advertisement is a secondary part of newspaper. Thus, people may miss out on advertisement while reading news.
- 5) **Clutter:** The number of advertisements in the newspaper is increasing and therefore advertisers are facing the problem of clutter. It involves when there are too many advertisement readers do not read but neglect it.
- 6) **Limited coverage:** Although, newspaper has wide coverage, it cannot be read by all masses. Especially, newspaper advertisement is not suitable for illiterates as they cannot read and understand. Thus, it reduces its scope.
- 7) **No much scope for creativity:** The usage of audio and video cannot be done hence there is no much scope for creativity. However, colorful pictures and photos of celebrities can be used to attract the audience.
- 8) **Not suitable for all products:** The newspaper advertising is suitable for those products which are to be explained in detail. Therefore, newspaper advertisement is not suitable for all products.
- 9) **Average print quality:** Advertiser will not have choice to decide the quality of paper. Most of the newspaper advertisement suffers due to poor quality of paper. It makes ad very routine and not attractive.

### 8.2.3 Magazine Advertising

Magazine advertising has long been considered one of the best ways to use print media to promote a business, a product, or even just an exciting opportunity. Magazine, both trade and business journals, are a major medium for business to business marketing. Magazines and Journals may be weekly fortnightly, monthly or quarterly publications. Special magazines for women and children are also published. Special issues are made during festivals. Magazines like India Today, Business India, Business World, etc., are some of the popular magazines in India.

- **Advantages of Magazine Advertising**

- 1) **Suitable for specific demographic audience:** Magazine reaches out to a customer within targeted demographics, and

thus the marketing efforts will have exposure to many potential prospects. Especially it is suitable for office goers.

- 2) **Long life span:** A magazine is more than a simple news source or bit of entertainment. It's a periodical piece of literature that many subscribers save to review more than once. This gives the advertisement potential for repetitive exposures.
- 3) **Mobility:** People read magazines at doctor's offices while they are waiting. Friends give magazines to each other to read. Magazines may be read at coffee shops, bookstores, or even at the beach. Some customers read magazines while waiting in a checkout line at the grocery store.
- 4) **Status:** Magazine titles are well respected in their field, so an advertisement in these will increase the prestige of product/service. Eg: the advertisement of cosmetics can be given in women era magazine which has high demand among females.
- 5) **Visual quality:** The visual quality of magazines tends to be excellent because they are printed on high quality paper that provides superior photo reproduction in both black and white and colour as fashion advertisers in particular.
- 6) **Creativity:** Ads in magazines look better and so is the product, because of better quality paper, colours, fonts, sizes, inserts, etc. This medium can be used more thoroughly to distribute attached promotions, coupons, samples etc. For example, a cologne advertisement in magazines usually attached to a sample paper with its smell.
- 7) **Audience receptivity:** Magazines have a high level of audience receptivity. The editorial environment of a magazine lends authority and credibility to the advertising. Many magazines claim that advertising in their publication gives a product prestige.
- 8) **Sales promotion:** Advertisers can distribute various sales promotion devices such as coupons, free samples and information cards through magazines. The readers can take the benefit of it by redeeming it in nearby store.

- **Limitations / Disadvantages of Magazine Advertising**

- 1) **Limited flexibility:** Ads must be submitted well in advance of the publication date. In some instances, advertisers must have full advertisements ready at the printer more than two months before the cover date of monthly publications.

- 2) **No demonstration:** Certain product requires product demonstration which is not possible with magazine advertisement. No matter the ad can be made creative and attractive but demonstration of the product has a different impact on consumers and encourages them to purchase it.
- 3) **High cost:** For a general audience magazine such as India today, advertising rates are quite high and magazines of this type do not compare favorably with other media such as network TV in terms of the cost to reach a broad mass audience.
- 4) **Clutter:** Each magazine advertiser hopes readers will notice its professionally prepared ad, will stay on the page long enough to absorb the message and gain a favorable impression that results in a purchase decision. A reader flipping through multiple ads while searching for a feature story might pay little attention to each ad's content or might decide not to read any ads at all.
- 5) **Not suitable for small traders:** Smaller advertisers don't get the best positioning in the magazines and are usually crowded together in the back. Space and ad layout costs are higher. The slower lead time increases the risk of ad getting overtaken by events. There is a limited flexibility in terms of ad placement and format.
- 6) **Limited reach:** Magazines don't have the same reach as television or radio. Readers are typically narrow segments of people interested in the given topic of the magazine. This means that magazines aren't the best option if you want to reach a sizable, broad, general audience of customers.
- 7) **Long processing times:** Magazines are normally published weekly or monthly. Because of the significant amount of content, pictures and ads included in a typical issue, it takes weeks to lay out one issue. Publishers usually require that advertiser fixes the ad in four to six weeks ahead of when they want to run. Discounts for earlier submissions are common.

---

## 8.3 BROADCASTING MEDIA

---

Broadcasting is the distribution of audio or video content to a dispersed audience via any electronic mass communications medium which broadly includes Radio and TV.

### 8.3.1 Radio Advertising

In India, radio broadcasting was started in 1927 with two privately owned transmitters at Bombay and Calcutta. Government took them over in 1930 and started operating under the name Indian Broadcasting Service. In 1936, the Indian Broadcasting

Service was renamed as All India Radio. Commercial broadcasting started only in 1967 on Bombay, Nagpur and Pune stations on experimental basis.

- **Advantages of Radio Advertising**

- 1) **Target audience:** The most important advantage of radio offers is its ability to reach specific audiences through specialized programming. In addition, radio can be adapted for different parts of the country and can reach people at different times of the day.
- 2) **Affordability:** Radio may be the least expensive of all media. The costs of producing a radio commercial can be low, particularly if a local station announcer reads the message. Radio's low cost and high reach of selected target groups make it an excellent supporting medium.
- 3) **Frequency:** Because radio is affordable, it's easier to build frequency through repetition. Media plans that use a lot of radio are designed to maximize high levels of frequency. Reminder messages, particularly jingles and other musical forms are easier to repeat without becoming irritating.
- 4) **Mental imaginary:** Radio allows the listener to imagine. Radio uses words, sound effects, music and tone of voice to enable listeners to create their own pictures. For this reason, radio is sometimes called the theatre of the mind.
- 5) **Cost efficiency:** Cost advantages are quite significant with radio as an advertising medium. Radio time, cost is less than TV and the commercials are quite inexpensive to produce. They require only a script of the commercial to be read by the announcer, or a prerecorded message that the station can broadcast. Advertisers can use different stations to broaden the reach and frequency within a limited media budget.
- 6) **Flexibility:** Among all the other media radio is the most flexible one. Copy can be submitted up to airtime. This flexibility allows advertisers to adjust to local market conditions, current news events and even the weather. Radio's flexibility is also evident in the willingness of stations to participate in promotional tie ups such as store openings, races and so on.
- 7) **Exposure to illiterates:** The radio advertisement can convey the message to illiterates too. The radio channels are available in different languages therefore the message can be easily pass on to illiterates.
- 8) **Portability:** Radio can be taken easily from one place to another and hence the advertisement can be heard by many people at a same time. It gives advertiser an opportunity to cover wider market to promote about the product.

- **Limitations / Disadvantages of Radio Advertising**

- 1) **Poor attentiveness:** A primary drawback is that people listening to it are often engaged in other activities, such as driving, cooking etc. Therefore, the level of attention and engagement towards ad will vary. It can take many impressions before a listener actually hears the message.
- 2) **Lack of visual appeal:** Whereas television, the other prominent broadcast medium, has multi-sensory appeal, radio can only impact audience through sound. It takes very talented copywriters to instill theater of the mind with the listening audience.
- 3) **Clutter:** With the increasing intensity of advertising, clutter has become a problem in advertising media, and radio is no exception. Commercial channels carry many ad messages every hour and it is becoming increasingly difficult for ad messages to attract and retain audiences' attention. Much depends on the precision of script writing, accompanying sounds and level of distortion.
- 4) **No priority:** Listening to the radio is done when anyone is doing some work. This reduces the amount of attention one can give. Whereas, in case of TV and newspaper advertisement customers are fully focusing on the ad. Therefore, there are chances that people may neglect or give less attention to ads on radio.
- 5) **Clutter:** Like other media, radio advertisement also suffers from the problem of clutter. Nowadays, there are too many ads on radio and therefore many a times the audience is also confused and boredom with same. Therefore, though radio ads are attractive they may not hold the audience for long.
- 6) **Less popular:** As compared to other media, radio advertising is less popular as nowadays all the songs are easily available at YouTube or on various songs app. Therefore, listening to radio has declined up to larger extent. The introduction of news channel has reduced the listening of radio.
- 7) **Not suitable for all products:** There are certain products which require visuals and demonstration for such products radio advertisement is not suitable. It is because there are no video effects and thus it will not attract consumers to purchase the product.
- 8) **Cannot be referred:** Once listened ad cannot be heard again till the time it is played again by the channel. Hence radio advertisement do not have reference value like print media advertisement. However, it becomes difficult to trace the required ad.



### 8.3.2 Television Advertising

Television provides the ability to communicate sight, sound, motion and emotion. The viewer can instantly see the product, view it in a variety of situations, determine how it can be of benefit to their application and leave them with a lasting impression on the business.

- **Advantages of Television Advertising**

**1) Creativity:** The interaction of sight and sound offers tremendous creative flexibility and makes possible dramatic, life like representations of production services. TV commercials can be used to convey a mood or image for a brand as well as to develop emotional or entertaining appeals that help make a dull product appear interesting. Television is also an excellent medium for demonstrating a product or service.

**2) Wide coverage:** Everyone, regardless of age, gender, income or educational level, watches TV at least for some time. Marketers selling products and services that appeal to broad target audience find that TV allows them to reach mass markets. TV is popular medium among companies selling mass consumption products. Companies with widespread distribution and availability of their products and services use TV to reach the mass market and deliver their advertising.

**3) Selectivity:** Proper slot must be selected to telecast the ad and it is due to variations in the composition of audiences as a result of programme content, broadcast time and geographical coverage. For example, Sunday morning TV caters to children, Saturday and Sunday afternoon programmes are geared to sports oriented male and week daytime shows heavily to homemakers.

**4) Demonstration:** The demonstration of the product can be shown through television advertisement. It will encourage viewers to purchase the product. Eg: Maggi is shown how it is being made in 2 minutes. Easy to cook good to eat.

**5) Ability to create humor:** Television advertisement generates humor among general audience. As it ads audio, video and jingles. It attracts the customer and thus they may take a decision of purchasing the product.

**6) Can reach illiterates:** The ads shown on television are in different languages and since it has audio effects the illiterates can also be attracted to see and understand the ad. Many of the social advertisements are shown on television to generate awareness among illiterates.

**7) Low per person cost:** As lakhs of people watch the ad at a time the per person cost is less. Eg: Doordarshan National Channel is watched by lakhs of people especially in rural areas.

**8) Captures international market:** Certain channels are shown at international level and thus the ad can be telecasted to other countries too. Therefore, Indian companies may get the orders and popularity from other countries.

**9) Repetition:** The same ad can be repeatedly shown on television. It increases the chances of people viewing the ad and hence the popularity of the product increases. It can also create top of mind awareness.

- **Limitations / Disadvantages of Television Advertising**

**1) Costs:** Despite the efficiency of TV in reaching large audience, it is an enormously expensive medium to advertisement. The high cost of TV ads stems not only from the expense of buying airtime, but also from the cost of producing a quality commercial. More advertisers are using media driven creative strategies that require production of a variety of commercials, which drive up their cost. Even local ads can be expensive to produce and often are not of high quality.

**2) Lack of selectivity:** Advertiser who are seeking a very specific, often small, target audience find the coverage of TV often extending beyond their market, thus reducing its cost effectiveness. Geographical selectivity can be a problem for local advertisers such as retailers since it rates on the total market area it reaches. Audience selectivity is difficult as advertisers target certain groups of consumers through the type of programme or day and/or time they choose to advertisement.

**3) Clutter:** Like other media, television advertisement also suffers from the problem of clutter. Nowadays, there are too many ads on television and therefore many a times the audience is also confused and boredom with same. Therefore, though television ads are attractive they may not hold the audience for long.

**4) Lack of clarity of message:** The ad message can be lost in the maelstrom television. Viewers may change the channel or decrease the volume during commercial breaks is a common habit, losing the reception of messages. So, the idea may not be so clear and the objective is not reached.

**5) Fleeting message:** TV commercials usually last only 30 seconds or less and leave nothing tangible for the viewer to examine or consider. Commercials have become considerably

short as the demand for a limited amount of broadcast time has intensified and advertisers to get more impressions from their media budgets.

**6) Negative attitudes:** Many consumers have negative attitude about TV commercials. A number of filters negatively impact the ad, even if it reaches a large audience. Leaving the room, talking to friends, texting, flipping channels, reading and simply spacing off are all things that can distract viewers from watching and absorbing commercial message.

**7) Lacks flexibility:** It's not as easy as editing your print ad. Most times, a TV ad will need to be shot again, or at least that part of it will need to be re-shot, and it's difficult to pick up action in the middle of an ad and to come away with the same feel of the ad as the first time.

**8) Time consuming process:** Even a 30-second ad or the 10- and 15-second clips of recent years, require a lot of effort. Advertiser needs to hire a script writer or an ad agency, actors and a director. Rehearsing, shooting and retakes consume an entire day or more. It's time-consuming and stressful process.

**9) Placement of ads:** The advertiser may not get the right placement of ads during the TV programme. The ads of competitors may appear at the same time and in the same programme. Therefore, the audience may not be responsive to TV advertising.

#### **8.3.4 Film / Cinema Advertising**

The beauty of Cinema advertising happens to be in its diversified media options where all kinds of opportunities exist for a brand.

Advertising is an accumulation of print, radio, television and other mediums used in conjunction with each other; but Cinema advertising is one form of advertising that sets itself apart from all other forms of advertising. It provides a 360-degree marketing environment that is uncluttered and finds the consumer in a relaxed and receptive frame of mind, perfect to get the message across.

Unlike typical advertising where an audience is made to experience an advertisement, Cinema advertising takes a plunge as compared to other forms by not pushing the audience. This act of not infiltrating the space of an audience creates a positive image of a brand and hence appeals more. In simpler terms, the audience approaches the brand instead of assertive direct marketing, also makes the process of communication unforceful and unique.

Brands can reach out to the audience but the ones that reach out to them in an immersive way takes the lead. And this

strategy can only be implemented in Cinema halls and multiplexes where a product can be placed or offered to experience. An air freshener product can be installed in the washroom or sprayed in the theatre before during or after the show. This one of a kind experience to the audience gives more strength to the brand and also opens avenues to different types of ideas and innovation to reconnect with them by breaking the monotony.

Interaction with the audience is another aspect which may deeply effect the consumer's decision to opt or buy a particular brand. In conjunction with experience, interaction opens up whole new types of avenues, the brand can use to its potential to reach out to them. As the interaction is itself dynamic in nature, an interested consumer can explore more about the product in turn giving an added advantage to the brand to earn their trust.

Keeping in mind the target age group which might come to watch a film, the demography where a Cinema is located, a brand can collect the data and information which can help them further improve their product or simply take feedback.

The beauty of Cinema advertising happens to be in its diversified media options where all kinds of opportunities exist for a brand. A brand can strictly confine it to a branding option i.e. a furniture company will only do branding on the seats of a theatre but can also make itself heard on different media formats available in the Cinema. There aren't any limitations to explore and to make the use of the space in Cinema apart from the aesthetics of the space.

Effective movie theatre advertising can also include one-on-one promotions, partnering with events or sponsorships and can be conducted at the venues themselves, with marketing teams promoting a variety of products to consumers as they are waiting in line or approaching the theatre.

Cinema media reaches a huge target audience each month, and its advertising is approximately four times higher than ads placed on television. Movie theater advertising reaches targeted consumers with innovative messages that engage moviegoers in a highly effective manner.

Effective movie theater advertising can also include one-on-one promotions, partnering with events or sponsorships and can be conducted at the venues themselves, with marketing teams promoting a variety of products to consumers as they are waiting in line or approaching the theater.

- **Advantages of Cinema / Film Advertising**

- 1) It delivers your message to a captive audience.
- 2) On-screen and lobby ads can use full sight, sound and motion to increase ad recall.
- 3) Frequent repetition of the message insures that moviegoers see and remember your ad, building brand awareness.
- 4) Advertiser's company image is often boosted by the association with the movies on the big screen in full color.
- 5) Because movie theaters are located near or in suburban shopping malls and other high-profile retail areas, ads are positioned close to point-of-purchase.
- 6) Campaigns can be targeted by a demographic profile based on the geographic location of the movie theater.

- **Limitations of Cinema / Film Advertising**

- 1) The audience is more interested in watching movie rather than advertisements in theaters. So they reach late to theatre or they move out during intervals. So hardly attention is paid to film advertisements.
- 2) Limited number of audience is exposed to such ads because those who go to watch movie can come across to these ads.
- 3) These ads are having short life as they are screened only for few seconds. Also due to number of ads screened at a time it becomes difficult to remember any particular ad.
- 4) These ads can be expensive. So large firms can only afford it.

---

## **8.4 OUT- OF- HOME (OOH) / OUTDOOR ADVERTISING**

---

Outdoor advertising is the oldest form of advertising. Today's outdoor media of advertising are nothing but a refinement of the ancient method of delivering a message to a large group of people. Outdoor advertising is bound to grow due to increase in number of automobiles, dispersion of population to the suburbs, greater mobility of people. The more people travel, the more they are exposed to advertising messages carried by this medium.

### **Following are the different forms of outdoor advertising:**

**1) Billboard:** The "bills" were pasted on walls, fences or on boards around the town. The word billboard has its origin in the playbill posted outside the theatre. After automobiles came in and the road network became increasingly extensive, the outdoor poster at the roadside became a useful medium of advertising. The bigger posters, called bleed posters of size 125 inches by 272 inches have also gained popularity.

**2) Posters:** They are of great value in developing countries like India with a great deal of diversity of languages and problems of literacy. Mostly posters remain in position for a period of time say

several weeks. Therefore, they enjoy 24-hour exposure and long life. The fact is that audience gets only a fraction of second to view the advertisement. But this is compensated by repetition of viewing. It is a mass medium to communicate large number of people at a same time.

**3) Neon signs:** Neon signs are electronically controlled, move and form patterns. Once seen in part viewers wish to see the complete one. In neon signs light emitting diodes, computer cards and curtain backgrounds are used. Neon signs are especially useful as ad medium in those cities which have night life.

**4) Transit advertising:** It is mainly advertising on the public transport system, such as metropolitan city bus transport, suburban rail system and advertisements placed on railway stations, bus stands and air terminals. The transit advertising operator places and maintains the transit ads on the vehicles for which the advertiser contracts.

**5) Print of hoardings:** Hoarding is technically known as single pass poster printing machine and is totally computerized. From single colour transparency or even a print, posters of any size can be printed as per specifications. There is no upper limit on the length of the picture, but the width, is restricted to 8 feet.

**6) Point of Purchase (POP) advertising:** POP advertising has its aim catching the consumer at the moment. Such advertisement can persuade the consumer, especially where low involvement products are concerned. POP advertisements are frequently termed as dealer aids since they are meant to help the dealer or retailer to win customers. Advertisers of consumer products offer retailers huge incentives such as providing containers, ice – boxes, baskets etc.

**7) Window display:** The display of products in shop windows so that passerby is attracted to enter the shop and buy the products, or at least be reminded of the products is termed 'window display'. It is an effective strategy for gaining the interests and attention of passersby. During festival seasons window displays take on the character and the colours of the festival being celebrated. It displays new class of designs, patterns etc.

**8) Aerial advertising:** It is effective if a large target audience is gathered near the source of advertising. It includes balloons, skywriting, and banner towing are usually strategically located.

- **Advantages of OOH/ outdoor advertising**

**1) Suitable medium to inform the moving population:** Its capacity to create awareness is gigantic, the effects caused always

meet the requirement for a simple message to be reached out to a vast number of people.

**2) Less expensive:** Out of home advertising can be a lot less expensive as compared to traditional and digital advertising. A billboard on the side of the road and flyers distributed can be of a meagre cost instead of a TV commercial and expensive nationwide marketing endeavors.

**3) Displayed at a place where best impact can be created:** Geographic adaptability featured by out of home advertising can be set along motorways, near stores, or on mobile billboards, anyplace that the law allows. Local, regional, or even national markets might be secured.

**4) Lasting Impact:** Once an out of home advertisement board is installed at a place, it usually remains there for a fairly longer period. Thus, it creates a lasting impression on the public. Wide coverage is possible for a longer duration. A 100 GRP appearing (the level of identical group of onlookers presented to an outdoor media advertisement) could yield a coverage equal to 100 percent of the commercial center every day or 3,000 GRPs over a month. With appropriate position, a wide base of representation is possible in neighborhood markets, with both day and night nearness.

**5) Pictures and paintings enhance the value of outdoor advertisements:** They say one remembers pictures and videos more than just plain texts, this couldn't be more applicable here as Out of home advertising enables the use of graphics to a large extent.

- **Limitations / Disadvantages of Outdoor Advertising**

**1) Create only visual effects:** It does possess creative limitations with high costs attached, especially if out of home advertising is digitally equipped, the chance of passing a lengthy message could be problematic.

**2) Tends to lack interaction:** Advertisers and Corporates need to draw in their target market audience. Interaction with customers to make them the final sale is vital. Out of home advertisements make interaction with other interested consumers a lot less significant.

**3) It provides attention and memory values; it is doubtful whether it will provide action value:** Out of home advertisement can really comprehend the precise viewership metrics which it has influenced to turn into an actual sale. Yet, to achieve the overall sale value, it may seem to be a bit futile.

**4) Costs:** a company needs to spend from the time the billboard is set up to the time it is taken down. Apart from signing a contract with the owner of the space, other costs include maintenance and repairs. If there will be natural disasters like hurricanes that will destroy the structure, this will not be inexpensive. And if there will

be destruction to property or injury related to a damaged billboard, the owner might have to face legal issues as well as additional expenses.

**5) Cause of distraction:** Another drawback of this traditional advertising medium is that it can be a cause of road mishaps. Since billboards aim to get the attention of people who are driving or passing by, they are big in size and often have celebrities as endorsers. Consequently, these people have the tendency to get distracted and at times, get into traffic accidents.

---

## 8.5 NEW AGE MEDIA/ DIGITAL MEDIA / INTERNET ADVERTISING

---

Online is the fastest growing medium in today's era. It is a powerful tool to use for advertising and promotions. The advertisers have understood the importance of the digital medium and they are increasing their advertising budget for digital media.

- **Various forms of digital media Advertising are as follows:**

- 1) **Direct mail:** It is a common form of advertising and is done through pamphlets and brochures, which is considered as junk by the recipients. This is the most personalized form of advertising and reaches through postal mail. It is very cost effective mode of advertising and helpful to provide complete information to the target audience on a piece of paper. Direct mail is mostly distributed at the event or from home to home.
- 2) **Mobile advertising:** It is a subset of mobile marketing. It has emerged as an integral part of any brand's marketing campaign today. It has become an important engagement tool for brands, and aims to fulfill the gap that traditional media has been unable to bridge. With the increasing popularity of mobile internet, this form of marketing is soon poised to achieve a significant reach.
- 3) **SMS advertising:** Advertiser establishes direct relationship through mobile phones with customers opting to their programmes. SMS advertising is not very exciting, and the potential is limited. Not to mention, that consumers who participate often will not have any special affinity for the marketer.
- 4) **WAP banner ads:** A banner advertisement in WAP sites is known as WAP banner ads, which are in JPEG or GIF format. Usually they are of two types clickable banners and non clickable banners. Clickable banners take the viewer to the another WAP page after clicking on it so that other details of the product are shown.



- 5) **Location based advertising:** It works on location tracking technology in mobile networks, to target consumers on location specific advertising. Mobile advertising companies send customers offers on their phones when they are near the store of a particular brand. The privileges, royalties and innovative services of location based mobile phone services attract many customers.
- 6) **Video ads on cell phones:** Interactive video adverts are coming on iPhone through mobile platform. Text messages were sent to consumers asking them to download the new commercial on their mobile phones. This was the first time that mobile phones were used as a vehicle to view, download, share and comment.
- 7) **Mobile coupons:** We all are aware of paper coupons, now it is time for online coupons. People carry their phones and their mobile coupons along and this is the advertising space that holds considerable promise.
- 8) **Interstitial ads:** They are ads that pop ups on the screen while the computer downloads a website that the user has clicked on. There are now many types of interstitials including popup windows, splash screens, superstitials etc.

- **Significance / Advantages of Internet Advertising**

- 1) **Less expensive:** A main benefit of online advertising is that it is at a much affordable price when compared with the traditional advertising costs. On the internet, advertiser can advertise at a way more inexpensive cost for a much wider audience.
- 2) **Wider geographical reach:** Online advertising gives your campaigns global coverage, which helps your online campaigns reach more audiences. This will definitely help you achieve superior results via your online advertising strategy.
- 3) **No rigorous payment:** This is another appealing benefit of online advertising. In traditional advertising advertiser has to pay the full amount of money to the advertising agency, no matter the results. In online advertising however, advertiser has to pay only for the qualified clicks, leads or impressions.
- 4) **Easy result measurement:** The fact that it's so easy to measure makes online advertising more appealing than the traditional advertising methods. There is lot of effective analytics tools in order to measure online advertising results, which helps to know what to do and what not to do in ad campaigns.

- 5) **More targeted audiences:** In comparison with traditional advertising, online advertising helps advertiser to easily reach the targeted audience, which leads to ad campaign's success.
- 6) **Speed:** Online advertising is faster than any of the offline advertising activities and advertiser can start sending out their online ads to a wider audience, the moment they start advertising campaign. So if they have a large targeted audience online at the time of triggering the online advertisements, then ad will be served to majority of the audience in no time.
- 7) **Informative:** In online advertising, the advertiser is able to convey more details about the advertisement to the audience and that too at relatively low cost. Most of the online advertising campaigns are composed of a click-able link to a specific landing page, where users get more information about the product mentioned in the ad.
- 8) **Better Branding:** Any form of advertising helps in improving the branding and online advertising stands a notch high in improving the branding of the company, service or product. If digital advertising campaign is well planned, company has the chances of getting brand name spread virally over a larger audience.

#### • Limitations / Disadvantages of Internet Advertising

- 1) There is a high dependency on electronic devices and thus there is always a fear of slow downloading or lack of connectivity.
- 2) In India very small group of people are well versed with operation of computer and usage of internet, hence not many will be able to purchase via internet.
- 3) There are so many websites out there that it can be hard to identify the ones that will most effectively target your audience.
- 4) Every advertiser wants consumer attention, and often there is simply too much information to digest.
- 5) The problem of clutter is very common among all media and hence it affects internet advertising too.
- 6) Some advertisers cleverly create misleading impressions of their goods—they present a very rosy picture of their products with the object of increasing their sales. In reality, their item is of inferior quality.
- 7) Not suitable for small traders and products which requires demonstration.

---

## 8.6 MEDIA RESEARCH:

---

### 8.6.1 Meaning

Media research includes the steps undertaken to select a proper media for advertisement and to an appropriate audience. The goal is to select a media schedule from among the many alternatives that will maximize same combination of the number of people reached and the frequency with which they are reached. This decision assumes the advertisers have specified the market segments they want to reach. The information collected through media research shall be able to provide answer to the following questions:

- What class of media should be used?
- What media vehicle and media option should be used?
- What should be the exposure level and how schedule it?

### 8.6.2 Following steps can be adopted:

- 1) **Audience:** Research helps to understand the profile of the readers, listeners, and viewers. Target audience profile relates to the data on the demographic features of the audience like age, income etc. These information helps advertiser to frame the message and make the ad in a manner which will be liked by such audience.
- 2) **Selection of media:** Though there are several media available an advertiser has to decide either to put the ad in one media or several. The selection of media can be done based on following factors:
  - Audience
  - Ad budget of the company
  - Features of the product.
- 3) **Finalizing the time and space:** Media planning department needs to book a specific time and space for the ad. It will be decided mainly upon how many people are exposed to this ad.
- 4) **Sponsorship of programmes:** It helps the advertiser to select a particular programme for sponsorship. The advertiser may select the sponsorship of that programme which is of interest to the target audience.
- 5) **Implementation:** After making a proper study, one needs to implement the framed advertisement in a proper media and on given time.
- 6) **Feedback:** A proper feedback must be taken stating whether the ad was suitable or not. It can be analysed based on sales turnover.

### 8.6.3 Importance of Media Research

- 1) **To know the audience:** Advertisements are prepared for audience to see, hear and finally purchase the product. Thus, research is conducted to understand the behaviors, likes and dislikes purchasing power, etc. of the audience. Not every media will be suitable for all type of audience and hence, an appropriate media must be selected for proper audience.
- 2) **Prices:** The rate of media will vary depending upon its popularity, expense, authenticity, etc. However, before finalizing any media a pricing structure must be taken care of. In fact, even in television advertising different channels will have different rates Therefore a proper research is needed before selecting a media.
- 3) **Competition:** The competition among media is increasing day by day. New media options are increasing Eg:- Internet advertising, Mobile advertising, etc. A major share of media revenues comes from ads which in turn depend on audience measurement. This has led to a growth in media research activities.
- 4) **Selection of media:** A best suitable media must be selected and research plays vital role for same. Selecting media depends upon following factors:
  - Media trends.
  - Media packages.
  - Media popularity.

Advertiser can also take a call if they want to go for media mix.

- 5) **Booking time and space:** The advertiser also needs to book a proper time and space in media for their ad. This decision is based on readership, viewership and listenership figures which are made available by media research. Further, such information helps the advertiser to negotiate for the best rates for optimal placement of ads.
- 6) **Benefits:**
  - **To Audience:** It helps media owners to shape new products, broadcast quality programs and so on. Thus, consumers get better quality products.
  - **To Media owners:** Media research gathers data showing the size, demographics and interests of the media audience. It helps them to improve upon their editorial content or the creative side.
  - **To Advertisers:** It helps them to select the most suitable media mix, which in turn helps to get more advertising mileage and thereby better returns on their ad budget.

---

## 8.7 AUDIT BUREAU OF CIRCULATION (ABC)

---

Audit Bureau of Circulations (ABC) is one of the several organisations of the same name operating in different parts of world. ABC founded in 1948 is a not-for-profit, voluntary organisation consisting of publishers, advertisers and advertising agencies as members. The main function of ABC is to evolve, lay down a standard and uniform audit procedure by which a member publisher shall compute its Qualifying copies. The circulation figure so arrived at is checked and verified by a firm of chartered accountants which are empanelled by the Bureau. The Bureau issues ABC certificates every six months to those publisher members whose circulation figures confirm to the rules and regulations as set out by the Bureau.

ABC's membership today includes 562 Dailies, 107 Weeklies and 50 magazines plus 125 Advertising Agencies, 45 Advertisers & 22 New Agencies and Associations connected with print media and advertising. It covers most of the major towns in India. Circulation figures that are checked and certified by an independent body are an important tool and critical to the advertising business community.

Bureau's Council of Management functions as the Board of Directors which the main policy is making body. Council members meet frequently at least once in two months. ABC comprises of

- 8 elected representatives of Publisher members
- 4 elected representatives of Advertising Agency members
- 4 elected representatives of Advertiser members

The position of Chairman of the Council of Management rotates every year between the senior most publisher member and senior most non publisher member on the Council (Advertising Agency and Advertiser). Chairman is elected by the Council of Management every year.

The Bureau (ABC) certifies circulation figures of member publications every six months i.e. for the audit periods January to June and July to December. The Audits of circulation figures are carried out by empanelled firms of Chartered Accountants as per the prescribed Bureau's audit guidelines and procedures.

Bureau also has a separate panel of Bureau auditors to undertake surprise checks and surprise recheck audits as deemed essential by the Bureau. The certified circulation data is primarily used for media planning purpose by various media agencies, print media advertisers and government publicity departments.

---

## 8.8 DOORDARSHAN CODE

---

Doordarshan was established in 15<sup>th</sup> September 1959. It is an autonomous public service broadcaster founded by the Government of India, owned by the Broadcasting Ministry of India and one of Prasar Bharati's two divisions. It is one of India's largest broadcasting organizations in studio and transmitter infrastructure.

Doordarshan has laid down certain standards of conduct in order to develop and promote healthy advertising practices. No advertisement shall be accepted if it violates this code.

### **The standards of conducts are as follows:**

- 1) Advertising shall be so designed as to conform to the laws of the country and should not offend morality, decency and religious susceptibilities of the people.
- 2) No Advertisement shall be permitted which-
  - i. derides any race, caste, colour, creed and nationality;
  - ii. is against any of the directive principles, or any other provision of the Constitution of India;
  - iii. tends to incite people to crime, cause disorder or violence, or breach of law or glorifies violence or obscenity in any way;
  - iv. presents criminality as desirable;
  - v. adversely affects friendly relations with foreign States;
  - vi. exploits the national emblem, or any part of the constitution or respected leaders, state dignitaries, Gods and Prophets belonging to various religions
  - vii. relates to or promotes cigarettes and tobacco products, liquor, wines and other intoxicants either directly or indirectly.
  - viii. in its depiction of women violates the constitutional guarantees to all citizens such as equality of status and opportunity and dignity of the individual.

In particular, no advertisement shall be permitted which projects a derogatory image of women. Women must not be portrayed in a manner that emphasizes passive, submissive qualities and encourages them to play a subordinate, secondary role in the family and society. The portrayal of men and women should not encourage mutual disrespect.

  - ix. shows institutions like Armed Forces, Paramilitary Forces, Police, Traffic Police etc. in poor light.
- 3) Advertisement for services concerned with the following shall not be accepted.

- i. Unlicensed employment services;
  - ii. Sooth-sayers etc. and those with claims of hypnotism;
  - iii. Betting tips and guide books etc. relating to horse-racing or other games of chance.
- 4) Doordarshan accepts the advertisements of educational institutions/colleges. However, it must be ensured that the institutions/colleges are genuine so as to ensure that students do not get misled.

Doordarshan will also accept advertisements relating to holiday resorts and hotels.

Doordarshan also accepts the advertisements relating to real estate including sale of flats/land, flats for rent both commercial and residential.

Doordarshan has also allowed the telecast of:

- i. Foreign products and foreign banks including financial services;
- ii. Jewelry and precious stones;
- iii. Mutual funds approved by SEBI;
- iv. Hair dyes;
- v. Matrimonial agencies.

However, to ensure that viewers do not get misled by false claims, it has been decided that all such advertisements must carry a statutory message at the end in the form of super imposition or caption as follows:

**“VIEWERS ARE ADVISED TO CHECK THE GENUINENESS OF THE CLAIMS MADE”**

- 5) The items advertised shall not suffer from any defect or deficiency as mentioned in Consumer Protection Act, 1986.
- 6) No advertisement shall contain the words „Guarantee□ or „Guaranteed□, etc. unless the full terms of the guarantee are available for inspection by the Director General, Doordarshan, and are clearly set out in the advertisement and are made available to the purchaser in writing at the point of sale or with the goods. In all cases terms must include details of the remedial action available to the purchaser. No advertisement shall contain a direct or implied reference to any guarantee which purports to take away or diminish the legal rights of a purchaser.
- 7) Scientific or statistical excerpts from technical literature etc., may be used only with a proper sense of responsibility to the ordinary viewer. Irrelevant data and scientific jargon shall not be used to make claims appear to have a scientific basis they do

not possess. Statistics of limited validity should not be presented in a way as to make it appear that they are universally true.

- 8) Advertisers or their agents must be prepared to produce evidence to substantiate any claims, testimonials or illustrations. The Director General reserves the right to ask for such proofs and get them examined to his full satisfaction. In case of goods covered by mandatory quality control orders, the advertiser shall produce quality certificate from the institutions recognized by the Government for this purpose.
- 9) Advertisements shall not contain disparaging or derogatory references to another product or service.
- 10) Visual and verbal representation of actual and comparative prices and costs shall be accurate and shall not mislead on account of undue emphasis or distortion.

---

## 8.9 SUMMARY

---

This unit enables you to understand know the various traditional media and their advantages and limitations. Various media includes as print media (newspaper and magazine), broadcasting media (radio and TV), out-of-home media (Billboard, Posters, Neon signs, Transit advertising, Print of hoardings, Point of Purchase (POP) advertising, Window display, Aerial advertising. New age media such as digital media or internet, which include its forms, significance and limitations also discussed in this unit.

Further this unit includes concept of media research which refers to the steps undertaken to select a proper media for advertisement and to an appropriate audience.

Finally, this unit include about Audit Bureau of Circulation (ABC) and Doordarshan Code which are important tools for regulation of advertising.

---

## 8.10 EXERCISE

---

**State whether following statements are True OR False**

1. Radio advertising offers mobility.
2. Interstitial ads are found on internet.
3. Magazine ads have a higher reference value.
4. Television is the fastest growing medium of mass communication in India.
5. Out of home media is the oldest media of communication.
6. Internet is the fastest growing medium for advertising.
7. Commercial promotion is undertaken through social media.



8. Television ads have a long life.
9. Film advertising offers only audio impact.
10. Website is a form of outdoor advertising.
11. Out of home is a form of new age media.
12. It is mandatory to get circulation figures certified by ABC.

#### **DEFINE/EXPLAIN THE FOLLOWING TERMS**

1. Print media
2. Broadcasting media
3. Out-of-home advertising
4. Film / Cinema advertising
5. Digital media

#### **ANSWER IN BRIEF**

1. Explain the advantages and limitations of Print media.
2. What are the advantages and disadvantages of TV advertising?
3. What is out-of-home advertising? Explain its limitations
4. List down and explain advantages of film advertising.
5. Explain different forms of internet advertising.
6. Write a note on ABC.
7. Write a note on Doordarshan code.

#### **REFERENCES:**

<http://www.auditbureau.org/>  
<https://www.slideshare.net/search/slideshow?searchfrom=header&q=>  
<http://www.himpub.com/documents/Chapter1506.pdf>  
<https://www.catgraphics.co.za/index.php/services/80-cinema-advertising>  
<https://info.zimmermarketing.com/blog/pros-and-cons-of-newspaper-advertising>  
<https://smallbusiness.chron.com/advantages-limitations-television-advertising-medium-26148.html>

#### **Books:**

S.A.Chullawala, 1997, Foundation of advertising theory and practice, Himalaya Publishing House.  
 John Wilmshurst and Adrian Mackay, 1973, Fundamentals of advertising, Taylor & Francis Group Publisher.  
 William Wells and John Burnett, 1926, 7<sup>th</sup> edition, Advertising principles and practice, Pearson.



## PLANNING ADVERTISING CAMPAIGN

### Unit Structure:

- 9.0 Objectives
- 9.1 Introduction
- 9.2 Steps in Planning Advertising Campaign
- 9.3 Steps in determining advertising objectives
- 9.4 DAGMAR Model
- 9.5 Advertising Budget – Factors determining ad budget and methods of setting ad budget
- 9.6 Media Objectives – Reach, Frequency and GRP
- 9.7 Process of media planning
- 9.8 Summary
- 9.9 Exercise

---

### 9.0 OBJECTIVES

---

After studying the unit students will be able to:

- Understand and write steps in planning advertising campaign
- Understand and write steps in determining advertising objectives
- Discuss DAGMAR model
- Explain factors determining advertising budget and methods of setting ad budget
- Determine Media objectives – Reach, Frequency and GRPs
- Understand and write process of media planning
- Analyse factors considered while selecting media
- Explore media scheduling strategies

---

### 9.1 INTRODUCTION

---

We don't remember all the advertisements which we see, read or hear, on the other hand we ignore some advertisements. So money spent by advertiser on these advertisements is wasted and ad message which advertiser intended to convey to target audience is not reached. It is necessary to have a well-planned strategy to promote a product or service. Ad agency helps advertiser to plan effective ad campaign. Well planned ad campaign helps advertiser to measure where his business stands in the market, by comparing

his advertising campaigns with competitors, thereby also helping advertiser to assess the strengths and weaknesses of his product or service.

---

## 9.2 ADVERTISING CAMPAIGN

---

### 9.2.1 Meaning and Definition

Advertising campaigns are the groups of advertising messages which are similar in nature. They share same messages and themes placed in different types of medias at some fixed times. In other words, it refers to the central idea or message which is reflected in all the ads in an ad campaign.



In the year 2006, Apple launched its first 'Get a Mac' commercial in which two actors representing 'Mac' and 'PC' respectively have a conversation in which PC ends up embarrassing himself. By the end of the year, Apple had launched 19 commercials under the 'Get a Mac' campaign. This humorous, but aggressively competitive advertising campaign fascinated the consumers immediately

#### Watch Ad Campaign of 'Get my Mac :

<https://www.youtube.com/watch?reload=9&v=1rV-dbDMS18>

**According to Dunn and Barban** "An advertising campaign includes a series of ads placed in various media that are designed to meet objectives and are based on an analysis of marketing and communication situation."

### 9.2.2 Steps in Planning Advertising Campaign



- 1) **Market Research:** The advertise / ad agency should undertake market research for the product to be advertised. Market research helps to find out the customer, product, market condition, competition, etc. It will enable to design effective advertising campaign.
- 2) **Define target audience:** The advertiser / ad agency need to know who are going to buy his product and who should be targeted. He should gather information about demographic and purchase behaviour of target audience. Accordingly, ad campaign is designed to influence buying behaviour of target audience.
- 3) **Define objectives of ad campaign:** The advertiser should define clear objective of ad campaign. The objectives of ad campaign can be to create awareness, develop brand image, increase market share etc. These objectives guide in planning process of ad campaign.
- 4) **Setting the ad budget:** At this stage, an advertiser allocates funds for the advertising campaign. While allocating funds for ad campaign, the advertiser needs to consider various factors such as target market, type of media, competition, past budget, availability of funds etc.
- 5) **Deciding the advertising theme/message:** The advertiser / ad agency needs decide ad theme/message. It should get popular among target audience. They consider the story board of the

ad. Eg.: In Santoor Soap ad, a young girl plays a musical instrument and her daughter passes by and calls her 'Mummy' and everyone is surprised about her young skin being mother of a 9-10 year's old girl. They decided the colors, graphics, music and voices, language, jingles, etc. to be used in the ad.

- 6) **Selection of media:** Media refers to a channel through which ad message is conveyed to target audience. Various ad media includes TV, radio, newspaper, magazine, outdoor, internet etc. Selection of media is depending on number of factors such as reach of media, budget, competitor's media, media restriction, objective of ad campaign etc. Advertiser can select any one media or combination of media to advertiser his product.
- 7) **Media scheduling:** At this stage, the advertiser decides time and frequency of inserting ad in each media. Various media scheduling strategies can be used which includes flighting, bursting, pulsing, steady, alternative month etc. Eg.: In bursting strategy, advertising is undertaken heavily at initial period and normal advertising during rest of the period. In pulsing strategy, advertiser undertakes heavy advertisement for particular period, then limited advertising for particular period and again heavy advertising for particular period.
- 8) **Executing the campaign:** At this stage, ad agency prepares ad campaign as per plan. It is necessary to get pre-testing of ad campaign done before it is run in media. Pre-testing enables to find out the technical errors in the ad campaign which can be corrected in timely manner. Then the ad campaign is run as per schedule. After that post-testing of ad campaign is also done. It enables to find out whether ad message is properly understood by the target audience and its impact on the buying behaviour of target customers.

---

### 9.3 ADVERTISING OBJECTIVES

---

Before carrying out specific advertising strategies and implementing advertising campaigns, objectives must be set. Without clearly defining the aims of advertising, it will be hard to attain effective advertising campaign. The advertising objectives can be:

- To increase sales and profits
- To create awareness about brand,
- To develop brand image,
- To face competition in the market
- To develop positive attitude towards brand
- To persuade customers
- To develop brand loyalty
- To remind customers about product/service

### Steps in determining advertising objectives

- 1) **Identify target audience:** The advertiser must identify target audience to convey advertising message. Advertiser can select target audience based on demographics, psychographic, sociographic, and geographic location. Proper identification of target audience will enable to design advertising offers that will meet requirement of customers and result into customer satisfaction. For instance, to attract youngsters, latest style can be shown in ad. Likewise to attract housewives some sales promotional offers such as discounts, combo offers etc. can be shown.
- 2) **Setting advertising objectives:** At this stage advertiser needs to set advertising objectives. The objectives can be to create awareness, to develop brand image, to increase sales and profits etc. The objectives can vary from advertiser to advertiser. At introduction stage of product/service, objective can be to create awareness about new product. At growth stage the objective can be to develop brand image or remind about product/service. Eg. Indulekha Bringha Hair Oil was launched recently in the market with objective of creating awareness among target audience. Limca undertakes advertising to remind their target audience about the product.
- 3) **Deciding ad budget:** After setting advertising objective, advertiser needs to decide ad budget also. Advertising objective influences ad budget. For instance, if objective is to create awareness in national and international level, more budget is required and if awareness is to be created in local area, less ad budget is required.
- 4) **Designing creative strategy:** The advertiser should design creative strategy for advertising. At this stage ad agency plays an important role. The creative team of ad agency consisting of copy writer, art director, layout designer etc. helps to design creative ad campaign. For instance, “Daag Achhe Hai” – Surf Excel, “Fevicol ka Majboot Jod” – Fevicol etc. are some of the examples of creative ad campaign strategies which has made enable them to achieve their objectives.
- 5) **Media selection:** The advertiser needs to select right media to promote his product/service. Media selection is also affected by various factors such as ad budget, advertising objective, competitor’s strategy, area coverage. For instance, if advertiser wants to target housewives for his product/service, he may select TV media. Likewise, to target office goers, outdoor media is the best option.
- 6) **Implementation of advertising campaign:** The ad agency implements ad campaign to achieve advertising objectives. The campaign is implemented as area wise, period wise and media

wise. Eg., Boroplus body lotion ad is run in India (area wise) in winter season (period wise) in various media.

- 7) **Measuring its effectiveness:** After implementing ad campaign, the advertiser and ad agency together measure the effectiveness of ad and whether advertising objectives which were decided, are achieved or not. If objectives are not achieved, then reasons for the same are found out and suitable corrective action is taken.

---

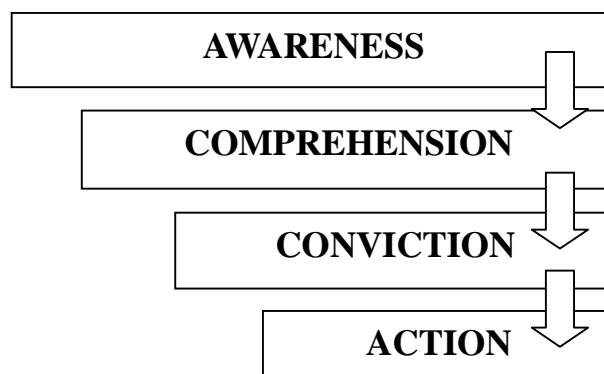
## 9.4 DAGMAR MODEL

---

DAGMAR is an advertising model proposed by Russell H. Colley in 1961. DAGMAR stands for “**D**efining **A**dvertising **G**oals for **M**easured **A**dvertising **R**esults” He developed a model for setting advertising objectives and measuring the results of an ad campaign.

According to DAGMAR model the ultimate objective of advertising involves a communication task, create awareness, provide information, and develop attitude and securing action for product from target audience. This model suggests that there are series of steps involved through which a brand must pass in order to get acceptance for product by target audience. DAGMAR attempts to guide customers through ACCA model. According to this approach, every purchase encounters four steps; Awareness, Comprehension, Conviction, and Action.

### The DAGMAR Model



- 1) **Awareness:** Before the purchase behaviour is expected from target audience, it is necessary to make them aware about product and company. The initial communication task of the advertising activity is to increase awareness about product/service.
- 2) **Comprehension:** Awareness on its own is not sufficient to stimulate purchase behaviour of target audience. Information and understanding of product and the organization is essential. Here communication task of advertising activity is to make customers

understand the features of product and benefits of using the product. Eg. In order to persuade target audience to budge for Patanjali toothpaste brand, they highlighted that it is herbal in nature and more effective. This helped them to attract more customers.

- 3) **Conviction:** At this stage sense of conviction (faith) is established. By creating interest and preferences, customers are convinced that a certain product should be tried at the next purchase. Here communication task of advertising activity is to mould audience's belief and persuade them to buy it by conveying superiority of the product.
- 4) **Action:** This is the final step which involves the final purchase of the product. The objective is to motivate the customer to buy the product. It involves some action from customers such as visiting to stores or trying a brand for first time.

---

## 9.5 ADVERTISING BUDGET

---

### 9.5.1 Meaning

In order to face competition and increase sales of product, every company spend lots of amount on advertising. MNCs are leading who spend billions of rupees whereas Indian companies spend crores of rupees on advertising. So it becomes necessary to plan this spending. Money spent on advertising is an investment which helps not only to create awareness about the brand but also to increase sales and profit of the advertiser.

Advertising budget refers to the amount that an advertiser sets aside for different advertising activities. It is a detailed plan of the different amounts that will be spent for different advertising activities for a particular period of time.

In large organizations ad budget is prepared by ad manager in consultation with finance manager or marketing manager. In some organizations marketing managers prepare ad budget in co-ordination with their senior authority. Many times, large companies take help of ad agency to prepare their ad budget. Ad agency and head of advertising department of company discuss and prepare ad budget. In small organization the owner himself or senior officer discuss and prepare their ad budget.

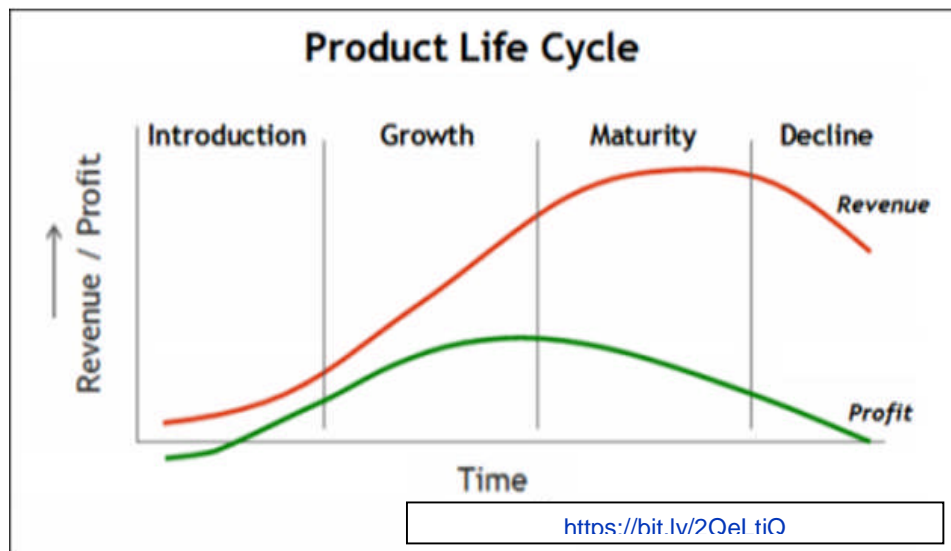
### 9.5.2 Factors determining advertising budgets

- 1) **Frequency of Advertising:** The ad budget depends upon frequency of advertising. Frequency of ad refers to number of times advertisement has been shown. If frequency of ad is more, the budget has to be more and vice-versa. Eg. Advertisement of products such as Dettol Soap, Lizol, Airtel etc.



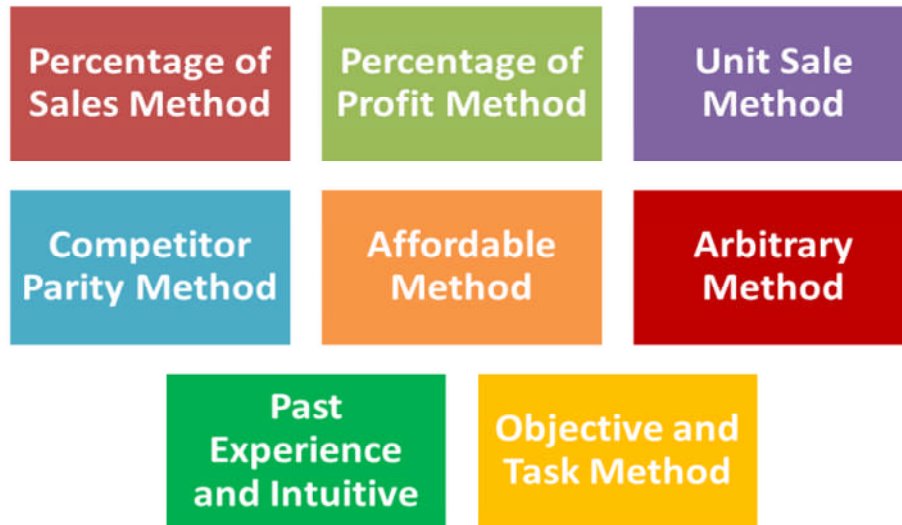
is frequently shown on TV media so their ad budget is obviously more.

- 2) **Competitor:** The ad budget of advertiser depends upon amount spent by competitor on his ad campaign. For instance, we see in case of telecommunication companies such as Vodafone, Airtel and others, when advertisement of one particular telecommunication company increases, other telecommunication company also spend more on their ad campaign.
- 3) **Type of Media:** Various media includes print media (Newspaper, Magazine etc.), broadcasting media (TV, Radio etc.), Outdoor media (Hoardings, Transit etc.), Digital Media and so on. Type of media affects ad budget. Eg. TV media is costlier as compared to newspaper and magazine media. Also there are some sites on internet where advertiser can create his own website for promotion of his products at free of cost or some nominal price is required to pay. Some advertisers select multiple media for advertisement purpose then ad budget is increased.
- 4) **Type of Audience:** If type of audience belongs to upper income group, then advertiser needs to spend on VFX, locations, models etc. In that case, ad budget increases. So type of audience influences allocation of ad budget by the advertiser. Eg. In the ad of luxurious cars targeting upper income group, lot of money is spent on VFX, model, location etc.
- 5) **Objective of ad campaign:** The objectives of ad campaign can be to create awareness, develop brand image, reminder about product, develop positive attitude and so on. For instance, if the objective is to develop brand image, then advertiser needs to increase frequency of ad in order to fix image of product in the mind of target audience, in that case ad budget has to be more.
- 6) **Stage of Product Life Cycle (PLC):** Generally, product passes through various stages of product life cycle which includes introduction stage, growth stage, maturity stage and finally decline stage. At introduction and growth stage of PLC, ad budget is more to create awareness among prospects and then create brand image in the mind of target audience. At decline stage budget can be reduced but even if advertiser spends more on ad campaign, it is not going to increase sales of the firm.



- 7) **Management Philosophy:** Management philosophy of any firm influences ad budget. Some managements think that advertisement and profit have positive correlation, in that case they spend more on advertisement. Today also there are managers who think advertisement does not contribute in profits of the firm, so they spend less on advertisements. They adopt some other promotion strategies.
- 8) **Past ad budgets:** While deciding amount of ad budget, an advertiser can take past ad budget as base. Generally, advertisers spend more as compared to previous year's ad budget. So past ad budgets are also important factor to be considered while deciding current ad budget.
- 9) **Availability of disposable funds:** A disposable fund refers to those funds which are available for spending after paying off all the expenses. If disposable funds are more, the advertiser will allocate more funds for ad budget and vice-versa.
- 10) **Area Coverage:** Area coverage by advertisement is also considered while deciding ad budget. If larger area such as national or international level advertisement is to be covered, then ad budget has to be more. For local area, ad budget may be low.

### 9.5.3 Methods of preparing advertising budgets



- 1) **Percentage of Sales Method:** This is most common method used by advertisers in preparing ad budget. In this method the advertising budget is calculated as certain fixed percentage of the sales or estimated sales. It is based on total amount of sales. For instance, the total sales of ABC Pvt. Ltd. were Rs. 20, 00,000/- in previous year. Now according to this method company decided to allocate 10% of the last year's sales for ad budget. So the advertisement budget for the current year is Rs. 2,00,0,00/- (i.e. 10% of Rs. 20, 00,000/-).
- 2) **Percentage of Profit Method:** In this method, companies set their budget at a certain percentage of their current or forecasted profits. For instance, the profit of ABC Pvt. Ltd. is Rs.10, 00,000/- in current year. Now according to this method company decided to allocate 10% of this year's profit for ad budget. So the advertisement budget for the current year is Rs.1,00,0,00/- (i.e. 10% of Rs.10,00,000/).
- 3) **Unit Sale Method:** This method is variation of percentage of sales method. This method is used for consumer durable products or high priced products. In this method, advertiser decides a specific amount to be allocated for advertising for each unit sold. It is based on the quantity of units sold. For instance, ABC Pvt. Ltd decided to spend Rs. 1,000/- on advertisement for each unit of car sold. The company sold 5000 units of cars in current year. So the advertisement budget for current year is Rs. 50,00,000/- (i.e. Rs.1000/- per unit X 5000 units sold).
- 4) **Competitor Parity Method:** In this method the advertising budget is estimated based on competitor's advertisement budget allocation. It can be either equal, more or less depend-

ing on the objectives of the company. Though this method is easy but not appropriate. Because situation of competition may vary with advertiser in the sense, competitor's objective may vary or he may have not selected proper method of preparing ad budget.

- 5) **Affordable Method:** This is a very simple method of ad budget allocation. After all the other expenses have been taken care of the company then allocates the left over money for the advertisements. This method is also called "All you can afford". Those companies, which follow this method, consider advertisement as expenditure. Small businesses often use this method because of lack of knowledge and poor understanding of the role of advertisements.
- 6) **Arbitrary Method:** This method is completely dependent on the management's discretion. There is no logical or systematic thinking for ad budget allocation. The budget is decided based on the psychological and economical buildup of the management and not on the market requirements.
- 7) **Past Experience and Intuitive:** In this method, advertiser takes decisions of allocating advertising budget based on their past experience and intuition.
- 8) **Objective and Task Method:** This is the most appropriate ad budget method for any company. It is a scientific method to set advertising budget. The method considers company's own environment and requirement. Objectives and task method guides the manager to develop his promotional budget by:
  - Defining specific objectives
  - Determining the task that must be performed to achieve them,
  - Estimating the costs of performing the task.

---

## 9.6 MEDIA OBJECTIVES

---

Media planners often define the communication goals of a media plan using the three interrelated concepts of reach, gross rating points, and frequency.

- 1) **Reach:** Reach refers to **the total number of people or households exposed, at least once, to a particular media vehicle during a given period.** Reach should not be confused with the number of people who will actually be exposed to and consume the advertising, though. It is just the number of people who are exposed to the medium and therefore have an opportunity to see/hear the ad/ commercial. For Instance, there

are 10 households watching a program on Start Plus TV channel for 4 weeks is explained with the help of following example:

Week	Homes										Total Exposure
	A	B	C	D	E	F	G	H	I	J	
1	√	√	-	√	-	√	√	-	√	-	6
2	-	√	-	√	√	√	√	√	-	-	6
3	√	√	-	√	√	-	√	-	√	-	6
4	-	-	-	√	-	-	√	-	-	-	2
<b>Total Exposure</b>	<b>2</b>	<b>3</b>	<b>0</b>	<b>4</b>	<b>2</b>	<b>2</b>	<b>4</b>	<b>1</b>	<b>2</b>	<b>0</b>	<b>20</b>

From above example out of 10 households, 8 households watch program on Start Plus TV channel in 1-week period of time. Only household 'C' and 'J' do not watch program on Start Plus TV channel. So the reach of program on Star Plus channel is 80%.

- 2) **Frequency:** Frequency is the number of times that the average household or person is exposed to the media schedule among those persons reached in the specific period of time.

$$\text{Average Frequency} = \text{Total Exposure} / \text{Reach}$$

So as discussed in above example, average frequency is  $20 / 8 = 2.5$

- 3) **Gross Rating Point (GRP):** It is a measurement of audience size. It refers to a metric that measures the size of an audience reached through a specific media channel. It communicates the percentage of population or households tuned into a program, compared to the population or population of households.

$$\text{GRP} = \text{Reach} \times \text{Average Frequency}$$

So as discussed in above example, GRP is  $80 \times 2.5 = 200$

---

## 9.7 MEDIA PLANNING

---

### 9.7.1 Meaning

Media Planning, in advertising, is a series of decisions involving the delivery of advertising message to the targeted audience. Media Plan is the plan that details the usage of media in an advertising campaign including costs, running dates, markets, reach, frequency, rationales, and strategies.

An advertising agency undertakes media planning for their client. They help to select best combination of media for advertising of products that will reach maximum number of prospects at minimum cost. Proper media planning enables to design effective ad campaign.



### 9.7.2 Process of Media Planning

- 1) **Define Target Audience:** First of all, the media planner needs to define target audience for communicating the ad message. The audience can be classified on the basis age, gender, income, occupation, etc. This enables media planner to estimate the cost and determine the right media for the ad campaign.
- 2) **Deciding Media Objectives:** The media objective is the goal of the media plan. Media objectives stated in terms of Reach, Frequency and Gross Rating Points (GRP).
  - **Reach:** It refers to the total number of people or households exposed, at least once, to a particular media vehicle during a given period.
  - **Frequency:** It refers to the number of times that the average household or person is exposed to the media schedule among those persons reached in the specific period of time.
  - **Gross Rating Points (GRP):** It refers to a metric that measures the size of an audience reached through a specific media channel.

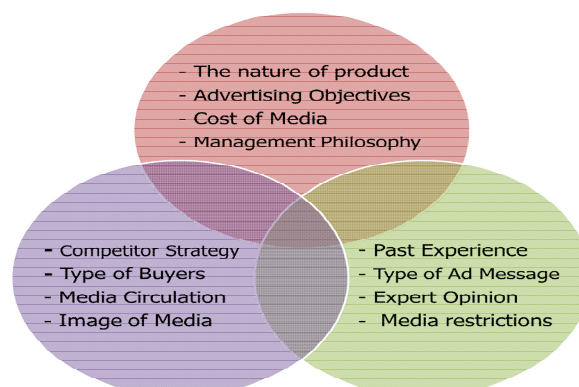
**3) Determine Media Strategies:** Media strategy is determined considering following:

- **Selecting Media Type:** The media planner must select specific media type or select a combination of media which includes newspaper, magazines, radio, TV, internet, outdoor etc.
- **Selecting Media Vehicle:** The media planner must also select specific media vehicle or combinations of media vehicle. Eg. If Newspaper is selected as media type, the media planner has to decide which newspaper is appropriate such as The Times of India, Bombay Times, Mid-Day
- **Allocation of funds:** Media planner needs to allocate funds depending upon media type and media vehicle.
- **Media Scheduling:** It shows the number of advertisements, size of advertisements, and time on which advertisements to appear.

**4) Implementation of Media Plan:** At this stage, media planner undertakes media buying. Media buying refers to booking time and space in the selected media. Thereafter, ad is placed in selected media. Finally, media planner monitors whether ad appears in selected media as per schedule or not.

**5) Evaluation and Follow up:** Finally, the media planner needs to evaluate and follow-up the implementation of media plan. This helps to find out whether or not media objectives are achieved. Successful strategies help build confidence and serve as reference for developing media strategies in future, and failure is thoroughly analyzed to avoid mistakes in future.

### 9.7.3 Factors considered while selecting media



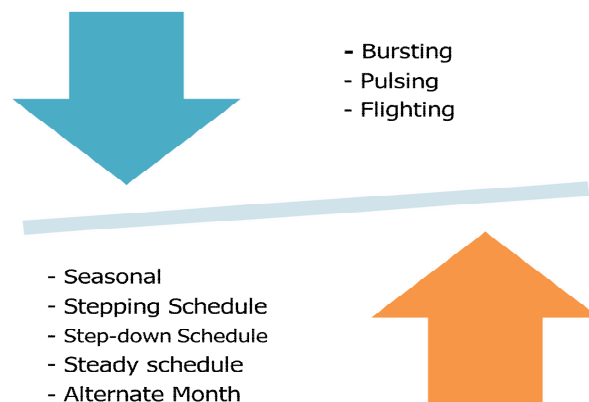
- 1) **The nature of product:** A product such as hair oil, toothpaste, washing powder etc. are used by masses / every household. In such case mass media such as print, broadcast, outdoor media etc. can be selected. Television media can be used for products requiring demonstration such as electronic goods. For Industrial products, print media such as catalogue is more suitable.
- 2) **Advertising Objectives:** Objectives of advertising are the prime considerations in media selection. Advertising objectives may be to inform, remind, convince, create prestige, or to increase sales and profits. Those media capable to meet company's expectations are likely to be selected.
- 3) **Cost of Media and Company's Financial Position:** Media selection decision is highly influenced by media costs and firm's ability to pay. Company has to pay for buying space and time in media and preparing advertising copy fit for the media to be selected. TV, radio, films are costly in terms of buying time and preparing advertising copy. Print media are relatively cheaper in both space and preparation of advertising message. Some outdoor media are quite low in cost.
- 4) **Management Philosophy:** Management philosophy determines which media should be selected. If company's top management philosophy is not to spend more money for advertisement and to offer the product at a low price, it may go for cheaper media.
- 5) **Competitor's Strategy:** The advertiser should consider competitor's media selection strategy. After considering competitor's media strategy, advertiser can take decision about his media selection.
- 6) **Type of Buyers:** Buyers can be classified into various classes such as age, occupation, income, gender etc. For the firm, it is important to know whether the target groups can be exposed by the particular medium. For instance, to target housewives, TV can be the best media. For old age audience, newspaper can be the best media. For college students, internet can be the best media.
- 7) **Media Circulation/Coverage:** The area covered by the media is an important criterion. Some media are capable to cover the globe while some can cover only the limited locality. For example, the local newspapers cover limited areas, the national newspapers like The Time of India and The Economic Times cover the whole nation. Similarly, certain magazines have national and international circulation. And, the same is true with broadcasting and outdoor media.
- 8) **Credibility and Image of Media:** Credibility and image of a media can affect selection decision of media. Advertising message appears in the reputed newspapers or magazines carry heavy impression and effect than substandard media.



People don't trust the appeal published in the lower standard media. Prestige of media becomes the prestige of advertiser.

- 9) **Past Experience:** Company's own past experience may be instrumental to decide on advertising media. For example, if company has satisfactory past experience of using a particular media, there are more chances to use the same media again and vice versa.
- 10) **Type of Advertising Message:** If a message is simple and easily understood, print media are sufficient. If a message is complicated, and the company wants to demonstrate and explain, broadcasting media suit the needs.
- 11) **Expert Opinion:** Marketing experts or consultants who work on professional basis can be consulted to suggest an appropriate medium to carry the message. These experts, on the basis of analysis of market situations in relation to products to be advertised, can recommend the suitable media. Since they have experience and expertise in the field, they are in better position to judge the suitability of each of the media in relation to product and company's financial position. They charge fees for their consultancy services.
- 12) **Media restrictions:** Products like cigarettes, wines and alcohols are not allowed to advertise on radio and television. For such products posters can be used in local shops.

#### 9.7.4 Media Scheduling Strategies



- 1) **Bursting:** Under this strategy, advertising is undertaken heavily at initial period and normal advertising during rest of the period. Eg. Advertiser spends 50% in first month on advertising and balance 50% is spent on remaining 11 months.

- 2) **Pulsing:** Under this strategy, advertiser undertakes **heavy advertisement** for particular period, then **limited advertising** for particular period and **again heavy advertising** and so on. Eg. Advertiser undertakes heavy advertisement for first 4 weeks and then limited advertisement for next 4 weeks and again heavy advertisement for next 4 weeks.
- 3) **Flighting:** Under this strategy, advertiser undertakes **heavy advertisement** for particular period, then **break in advertising** for particular period and **again heavy advertising** and so on. The break in advertising is referred as hiatus. Eg. Advertiser undertakes heavy advertisement for first 4 weeks and then no advertisement for next 4 weeks and again heavy advertisement for next 4 weeks.
- 4) **Seasonal:** Under this strategy, advertiser undertakes during season and no advertisement as season comes to an end. This strategy is used for seasonal products such as cloths, footwear, skin care etc. Eg. Advertisement of Boroplus body lotion or Chyavanprash is seen in winter season. Dermicool Prickly Heat Powder advertisement is seen in summer season.
- 5) **Stepping Schedule:** Under this strategy, advertisement start on low scale when season begins and gradually it increases. Here day-by-day, number of times advertisement shown goes on increasing. It used to attract attention of target audience towards new product.
- 6) **Step-down Schedule:** Under this strategy, advertisement starts on large scale when season begins and gradually it decreases. Here day-by-day, number of times advertisement shown goes on decreasing.
- 7) **Steady / Even schedule:** Under this strategy advertising is done on steady and continuous basis. Eg. on Doordarshan every day after news is over, advertisement of Family Planning Program is shown
- 8) **Alternate Month:** Under this strategy, advertisement is done on every alternative month of the year.

---

## 9.8 SUMMARY

---

Advertising campaigns are the groups of advertising messages which are similar in nature. They share same messages and themes placed in different types of medias at some fixed times. In other words, it refers to the central idea or message which is reflected in all the ads in an ad campaign.

Advertising objectives enables to attain effective advertising campaign. The advertising objectives can be to increase sales and profits, to create awareness about brand, to develop brand image, to face competition in the market, to develop positive attitude towards brand, to persuade customers, to develop brand loyalty, to remind customers about product/service and so on.

DAGMAR model suggests that there are series of steps involved through which a brand must pass in order to get acceptance for product by target audience. DAGMAR attempts to guide customers through ACCA model. According to this approach, every purchase encounters four steps; Awareness, Comprehension, Conviction, and Action.

Advertising budget refers to the amount that an advertiser sets aside for different advertising activities. It is a detailed plan of the different amounts that will be spent for different advertising activities for a particular period of time. Various factors influencing ad budget includes frequency of ad, competitor's ad strategy, type of media, type of audience, objective of ad campaign, stage of product life cycle and so on. Different methods are used for preparing ad budget which includes Percentage of Sales Method, Percentage of Profit Method, Unit Sale Method, Competitor Parity Method, Affordable Method, Arbitrary Method, Past Experience and Intuitive.

Media objectives include reach, gross rating points, and frequency. Reach refers to the total number of people or households exposed, at least once, to a particular media vehicle during a given period. Frequency is the number of times that the average household or person is exposed to the media schedule among those persons reached in the specific period of time. GRP is a measurement of audience size.

Media Planning, in advertising, is a series of decisions involving the delivery of advertising message to the targeted audience. Media Plan is the plan that details the usage of media in an advertising campaign including costs, running dates, markets, reach, frequency, rationales, and strategies. There are various factors considered while selecting media such as nature of product, Advertising Objectives, Management Philosophy, Cost of Media and Company's Financial Position, Competitor's Strategy, Type of Buyers, Media Circulation/Coverage etc.

Various media scheduling strategies are used for running advertisement such as Bursting, Pulsing, Flighting, Seasonal, Stepping Schedule, Step-down Schedule, Steady / Even schedule and Alternate Month.

---

## 9.9 EXERCISE

---

### FILL IN THE BLANKS

- 1) \_\_\_\_\_ refers to the central idea or message which is reflected in all the ads in an ad campaign. (Advertising cost, Advertising compensation, Advertising campaign)
- 2) \_\_\_\_\_ is an example of advertising objective. (Create awareness of brand, Develop brand image, Both)
- 3) DAGMAR advertising model was proposed by \_\_\_\_\_ in 1961. (Russell Colley, Philip Kotler, F.W. Taylor)
- 4) DAGMAR advertising model involves 4 steps of purchase: Awareness, \_\_\_\_\_, Comprehension, \_\_\_\_\_, Conviction and \_\_\_\_\_ (Action, Audience, Audit)
- 5) \_\_\_\_\_ refers to the amount that an advertiser sets aside for different advertising activities. (Ad audit, Ad budget, Ad audience)
- 6) In \_\_\_\_\_ method of ad budget, the ad budget is calculated as certain fixed percentage of the sales or estimated sales. (Competitor Parity, Percentage of Sales, Arbitrary)
- 7) \_\_\_\_\_ refers to the total number of people or households exposed, at least once, to a particular media vehicle during a given period. (Reach, Frequency, GRP)
- 8) \_\_\_\_\_ factor is considered while selecting ad media. (Type of buyer, Nature of product, Both)
- 9) Under \_\_\_\_\_ strategy, advertising is undertaken heavily at initial period and normal advertising during rest of the period. (Bursting, Pulsing, Flighting)
- 10) Under \_\_\_\_\_ strategy, advertiser undertakes during season and no advertisement as season comes to an end. (Pulsing, Flighting, Seasonal)

### DEFINE/EXPLAIN THE FOLLOWING TERMS

- 1) Advertising objectives
- 2) DAGMAR Model
- 3) Ad budget
- 4) Reach
- 5) Frequency
- 6) GRP
- 7) Media Planning
- 8) Bursting
- 9) Flighting
- 10) Pulsing

**ANSWER IN BRIEF**

- 1) Explain different steps involved in planning advertising campaign.
- 2) Highlight different steps in determining advertising objective.
- 3) Write a note on DAGMAR model of advertising.
- 4) Discuss the various factors determining ad budget.
- 5) Describe the methods of setting ad budget.
- 6) Write a note on media objectives – Reach, Frequency and GRP.
- 7) What is the process involved in media planning?
- 8) Elaborate various factors considered while selecting media.
- 9) Discuss media scheduling strategies in detail.

**REFERENCES**

- <https://www.quora.com/What-is-Advertising-campaign>
- <https://www.feedough.com/advertising-campaign-meaning-examples-planning/>
- <https://bbamantra.com/planning-advertising-campaign/>
- <https://marketing-insider.eu/aims-of-advertising/>
- <https://studiousguy.com/dagmar-approach/>
- <https://www.marketing91.com/dagmar/>
- <http://www.yourarticlelibrary.com/advertising/15-methods-for-setting-up-of-advertisement-budget-under-top-down-budgeting-method/22291>
- <http://www.yourarticlelibrary.com/advertising/methods-for-setting-advertising-budget-6-methods/48669>
- <http://www.admedia.org/>
- [https://en.wikipedia.org/wiki/Reach\\_\(advertising\)](https://en.wikipedia.org/wiki/Reach_(advertising))
- <https://www.verticalrail.com/kb/gross-rating-point/>
- <http://www.yourarticlelibrary.com/advertising/selection-of-advertising-media-for-a-company-14-factors/48659>
- <http://www.yourarticlelibrary.com/advertising/choice-of-advertising-media-9-factors/49160>



## EXECUTION AND EVALUATION IN ADVERTISING

### Unit Structure:

- 10.0 Objectives
- 10.1 Introduction
- 10.2 Essentials of copywriting,
- 10.3 Elements of Advertising Copy
- 10.4 Types of Advertising Copy
- 10.5 Principles of Layout
- 10.6 Importance of Illustration
- 10.7 Execution styles
- 10.8 Importance of Jingles and Music
- 10.9 Concept of Storyboard
- 10.10 Methods of Testing Advertising Effectiveness
- 10.11 Summary
- 10.12 Exercise

---

### 10.0 OBJECTIVES

---

After studying the unit students will be able to:

- Define advertising copy and know the essentials ad copy
- Explain various elements and types of ad copy
- Discuss the importance of illustration and storyboard
- Understand the importance of jingles and music in advertisements
- Know the various techniques used to evaluate the pre and post effectiveness of ad

---

### 10.1 INTRODUCTION

---

Copywriting is not just concern with writing. It is about reaching into the hearts and minds of a marketplace through building bridges between what company wants to market and what consumers needs.

Copywriting is an art of using words in persuasive manner which motivates the readers/audiences to take productive action. Copywriting is also done for the purpose of promoting the brand, spreading awareness about the brand. It plays a vital role in social campaign and helps convincing the audiences on certain point of view.

---

## 10.2 ESSENTIALS OF COPYWRITING

---

- 1) **To the point:** Most readers are attracted towards the shorter advertisements. Being concise is not reducing words or chopping sentences. It is the meticulous work of eliminating and substituting the words without jeopardizing the meaning. It cuts to the core; it is to the point to cover all. Eg: headline “Everyday growth everyday horlicks”
- 2) **Clarity:** A clear copy is one which is easily and quickly read and grasped by the readers. It is unambiguous and self explaining. It is one that clicks immediately. Clarity gives clue to interpretation. The manner in which a copy is interpreted is dependent on factors like local traditions habits, customs, and nationality. E.g.: Fair and lovely cream for girls and fair and handsome cream for boys.
- 3) **Suitable:** A copy is apt that matches to the needs and counts of the prospects. Writing an apt copy is the art of putting in the words that create strong desire to possess the product where the product features or the qualities satisfy the consumers’ desire to possess. Copywriter is to place himself in the position of a customer to make it appropriate. E.g.: don’t rely on something just because it fits – Volkswagen original parts.
- 4) **Personal touch:** Copy must contain information and facts about the product or service but that is not the point to keep the focus on, the focus should be on the customer and their needs, wants, desires and their emotions towards the product which will help to sell it. A personalized copy is centered on the prospect. It is an individualized appeal copy. It is written from ‘prospect’ to ‘product’ rather than ‘product’ to ‘prospect’. The copy has ‘you attitude’. E.g.: The ad for Lakme Deep Pore Cleansing begins with the headline “There’s a lot that shows on your face”.
- 5) **Reality:** Credibility or believability of an advertisement message is decided by the extent of honesty. An ad to be good must be truthful. Misleading and unprofessionally presented facts made in the copy only damage the reputation of selling house. One of the surest ways of winning the hearts of the

consumers is to be honest. 'Honesty', here, implies 'commercial honesty' and not the 'judicial'.

- 6) **Conforming:** Every ad copy is to conform to standards, rules, and regulations acceptable to the advertising media. Anywhere in the world, no copy is acceptable to any media that offends the morality, declines decency, and damages religious susceptibilities of people.
- 7) **Provocative:** Grab the reader's interest by presenting thought provoking questions in headline and move them to read body copy to get the answer. This generates the interest in minds of consumer.
- 8) **Demonstrative:** Photos or demonstration plays the vital role to grab the attention of audiences, so use photos to demonstrate the product or service. If a correct picture really is used it is worth a thousand words. Maybelline generally use photographs to demonstrate the benefits of using the product – long lasting kajal, lipsticks, smooth skin.
- 9) **Attractive:** Using buttons, icons and arrows can help direct the reader's attention to important details. If organized correctly, they can also help sort facts or messages into categories. The ad for Toyota Qualis uses arrows to draw the readers' attention to the unique features of the vehicle such as integrated bumper; wood finishes paneling, captain seats, etc. Similarly, "Pure it" brand uses the machine to demonstrate the usage and show-case the features.
- 10) **Its responsive:** Many techniques a copywriter can use to get response speak out for readers, tell them to respond, give them a reason to respond offer them a bonus or freebie if they respond. Eg: This can be done by using words like – order now, book now, order today, for a short time only, last chance, etc. Service – ICICI Bank – Two Wheeler Loans

---

### 10.3 ELEMENTS OF ADVERTISING COPY

---

- 1) **Headlines:** Headline is the top most or the very first line of the advertisement. It must be bold and in larger font as compared to other text of the ad. It must be catchy as it is going to capture the attraction of the audience. If required, it can be written in different font style or in different colour. It can be one liner or not more than 5 to 6 words.
- 2) **Sub headlines:** It is a supporting line to a headline. It can briefly describe about headlines. Generally, its font size should be smaller than headline but larger than the body of the



advertisement. The sub headline can be underlined or may be printed in a different font style to make it look unique.

- 3) **Body copy:** The main portion of advertisement is the body copy as it describes about the product. It consists of benefits that customer can get through product, its usage, features etc. It can be printed in normal font size as it can be of 6 to 7 lines.
- 4) **Captions:** It refers to a small write up describing the image or picture. In print advertisement, the image of the product is shown and a small paragraph is written describing about the product's feature. In short, it is a descriptive title under a photograph.
- 5) **Slogan:** A slogan is a phrase used for advertising campaign to generate the attraction of public. It is difficult to remember the complete ad or body text of it, therefore, slogan helps audience to remember the product for a longer period. Eg: McDonalds: I am lovin it, kit kat : Have a break, have a kit kat.
- 6) **Taglines:** It is a short, memorable description that becomes identified with a product. It is designed in a catchy and dramatic form which can be easily remembered by the customers. Eg: Loreal – Because you are worth it, Apple – Think different.
- 7) **Logo:** Logo refers to a image or design used by company for its products. People may read the ad and forget it but the logo may be retained in their mind, thus it helps a product to get a distinct image in the market. Generally, logo appears at the bottom right of the ad. Eg: Nike – A tick mark sign, Apple – Symbol of apple.
- 8) **Call of action:** It is a strategy or a liner which will convert the decision of audience into an action. It is generally mention at the end of the advertisement. It can be an offer or a discount coupon through which customer can get the best out of it.

---

## 10.4 TYPES OF ADVERTISING COPY

---

Copywriting is the single most important and critical activity for the success of the entire advertising campaign. A copywriter translates the selling points of a client's product or services into benefits for selected consumers. Types of copy are as follows:

- 1) **Scientific copy:** The technical specifications of a product are explained. The merits of the product are described in scientific terms. It gives conviction value to the copy. Saffola – a low cholesterol edible oil makes use of a scientific copy. Drugs and medicines also are sold through a scientific copy. The data

inspire confidence both among the lay people and the professionals.

- 2) **Descriptive copy:** In a non – technical manner, the product attributes are described. The copy uses direct active sentences. There are short and concise sentences. Such types of ads are very common. Eg: Insurance companies need to give a detailed description of schemes.
- 3) **Narrative copy:** Here a fictional story is narrated. The benefits of the product emerge from the story. The narrative is humorous and it acts as a strong appeal. It should make an imprint on viewer's memory.
- 4) **Topical copy:** When the copy is integrated to a recent happening or event, it is said to be topical copy. Many such topical copies are made by Da Cunha for Amul Butter. Mostly political events, national sports, world events all get extended to the advertisement copy.
- 5) **Prestige copy:** The product is not directly advertised. Only a distinguished and favourable atmosphere is created for the sale of the product. The copy is used to build an image. The personal power advertisement for Vimal Shirting is an example.
- 6) **Endorsement copy:** In these copies, a product is endorsed by an opinion leader who has a large following. The choice of the opinion leader depends on the product. Mostly celebrities are chosen to promote televisions, coffee, tyres etc. The consumers' perception is heightened by the celebrity endorsement of it.
- 7) **Wordless advertisement:** Wordless advertising is an example of non verbal communication and are pictorially oriented. Air India perhaps has the greatest number of master pieces to its credit in this genre through its bill board projections starting from the early fifties.
- 8) **Eye candy:** Ads carry impressive visuals with a single line of throw away copy. Visual oriented work is branded as eye candy by the Americans. In a multi – lingual and multi cultural market, visuals are well suited to convey the message. Instead of writing 'no smoking' it is better to have a visual that conveys the same message.
- 9) **Interactive ads:** Interactive ads are associated with on – line internet ads. Interactive communication engages a consumer, and spends more time with it. Volkswagen Polo car is positioned as small but tough car. Its campaign featured a

series of very small but tough crossword puzzles. The reader stayed with the ad till he cracked it.

---

## 10.5 PRINCIPLES OF LAYOUT

---

### 10.5.1 Meaning

Layout may be defined as the format in which the various elements of the advertisement are combined. It should not be confused with the visualization though. Its function is to assemble the different parts of advertisements- illustrations, headlines, body text, the advertisers signature, and perhaps borders and other graphic materials- into a unified presentation of the sales message.

### 10.5.2 Principles of good layout are as follows:

- 1) **Balance:** Balance, of considerable importance in a layout, involves artistically combining the various sizes and shapes that make up an advertisement. Essentially, there are two forms of balance:
  - Formal or symmetrical
  - Informal or asymmetrical
- 2) **Movement:** If a print advertisement is to get the reader's eye to "move" through it, the layout should provide for gaze motion or structural motion.
- 3) **Unity:** Unity in layout refers to keeping the elements of the advertisement together so that the advertisement does not "fall apart".
- 4) **Clarity and Simplicity:** Although, it is important to make a layout interesting, care must be taken to see that it remains simple enough so as not to lose its clarity and simplicity.
- 5) **Emphasis:** A good layout should make the advertisement as a whole prominent and also emphasize certain important elements. It can be done so by following some of the following techniques.

### 10.5.3 Stages of layout:

- 1) **Thumbnail Sketches:** They are miniature sketches that are used by the art directors to convey the basic layout style and treatment without spelling out small details.
- 2) **Rough Layout:** Rough layouts or visuals, are prepared for almost all advertisements. They are the same size as the finished advertisements except for outdoor posters.
- 3) **Finished Layouts:** The next stage is the preparation of the finished layout, which is worked more carefully than the rough

layout. They suggest in considerable detail the style of the illustration and headlines and therefore serve as a guide to artist and typographer.

- 4) **Comprehensive Layouts:** A comprehensive layout is prepared for a client when they are unable to judge the effect of the finished advertisements by looking at the finished layout. These layouts come very close to resembling the finished advertisements.
- 5) **Working Layouts:** Working layouts are not really layouts, but rather a sort of “blueprint” for production, indicating the exact position of the various elements and appropriate instructions for the typographer and engraver. They are also known as “mechanicals”.

---

## 10.6 IMPORTANCE OF ILLUSTRATIONS

---

### 10.6.1 Meaning

Illustration consists of photographs, drawings, graphs, charts, painting, and other pictorial devices. Markets may use illustrations to gain attentions, comprehension, attitude change and behaviour change. Illustrations then are of major value in conveying the theme. Drawings, photos or cartoons with headlines attract the attention of prospects. They can tell a story, make a point quickly and clearly or prove a claim.

### 10.6.2 Methods of illustration are as follows:

- 1) Symbolic illustrations.
- 2) Comparison and contrast illustrations
- 3) Product in use illustrations
- 4) Result of the product's – use illustrations
- 5) Product – Alone Illustration

“Before and after” photographs are an example of this. Art directors are always debating illustration strategies. Food products attractively presented make our mouths water, and textiles spread over the entire page stimulate our desire to own the material. Here the illustration occupies a larger space than the other elements. Photographic ideas are worth more. Photography gives authenticity in terms of news. Food and celebrities are almost always photographed.

### 10.6.3 Importance of Illustration in advertisement

1. They are more effective than words.
2. They support the copy
3. They are demonstrative
4. They can make us understand technical details.
5. They evoke moods.
6. Colour photographs give high fidelity to the products.

---

## 10.7 EXECUTION STYLES

---

### 10.7.1 Meaning

Execution styles refers to the manner in which advertising message is presented to the customers. The impact of message is majority dependent upon how the message is presented in front of the audience.

### 10.7.2 Execution Styles

Following are the various execution styles adopted to convey messages.

- 1) **Straight Sell:** In this style message focuses upon the product and its attributes that will motivate consumers to purchase. It believes in straight forward presentation without exaggerating.
- 2) **Scientific Message:** In this message, an advertiser tries to prove scientifically how their product is better than competitors' product. It is applicable to those products where the competition is high. Eg:- The "Ghadi detergent" shows how it is tested in laboratory.
- 3) **Demonstration:** It illustrates the main advantage of the product by showing it in actual use or in some situation. This style is more effective as a live demonstration can be seen and it helps to achieve the trust in the mind of consumers.
- 4) **Testimonials:** Many advertisers present their marketing communication message in the form as the testimonial whereby a ex-consumer, person, etc. speak on behalf of the product based on their experience. To make it more effective a celebrity can also be involved in it.
- 5) **Animated Character:** This technique uses animated character that represents the product in ads. Eg:- ZooZoos were the animated character introduced by Vodafone.
- 6) **Dramatization:** It uses the problem-solution approach as they show how the advertised brand can help resolve a problem. This execution style creates a suspenseful situation or scenario in the form of a short story.
- 7) **Comparison:** This type of execution involves an indirect comparison of a brand against a competitor. The competing products either are explicitly named or can be precisely identified by photos, images or trademarks.
- 8) **Musical:** Music has a long lasting impact on viewers or listeners. Thus, music adds extra impact. Eg:- Nirma washing powder.

## 10.8 IMPORTANCE OF JINGLES AND MUSIC

### 10.8.1 Meaning

Jingles are catchy little tunes which we pick up and hum quite unconsciously most of the times, like a refrain registered in our brain which refuses to go away. Jingles make possible the association of memorable phrases with the product or with the company.

A jingle with its repeat phrases has a far higher recall value than the visuals do. The signature tunes immediately conjure up their products. The music catches the attention of children and teenagers. It is important to know the target audience while composing a jingle. It is difficult to make a commercial jingle which appeals across audiences and audience segments. The mood briefs are generally given to the jingle singer by the Agency. They tell whether a tune should be 'peppy' or 'romantic' or 'joyous'. They also give a profile of the target audience.

Jingle composing singing and making it work for the product is a highly creative art. Jingle composing involves co-ordination with client, composer, musician, singer etc. Some brands like Titans, Airtel and Raymond have stuck to signature tunes rather than jingles to retain a continuity of association.

It is difficult to imagine an Indian ad without a jingle. The music lingers with audience for long. With an output of 1000 ad films for television and several hundred radio spots, Mumbai remains the centre of the jingle bells.

Product	Jingle
Zandu balm	Zandu balm, zandu balm, peeda haari balm, sardi sardat peeda ko pal mein door kare zandu balm...zandu balm.
Nerolac	Jab ghar ki raunak badani ho diwaron ko jab sajana ho ". jab ghar ki raunak badani ho Nerolac
Lijjat papad	Kurruum, Kuraam, Majedar, Lajjatdar, Saat Swad Mein Lijjat, Lijjat Pappad

### 10.8.2 Music in Advertising

The music appeal can be widely used for most of the product or service type. The Music Appeal is especially useful when advertiser want to make the product or service seem lively or exciting and want to integrate a jingle or song that will make audience feel happy and upbeat.

The music appeal works best when they make the advertisement almost entirely focused on the music, with the product or service. They are advertising as background information. The goal is to get the audience to remember it later, even if they're not necessarily paying close attention to the product while watching or listening to the advertisements. Keep music upbeat and memorable. While many advertisements include music and sounds as background information, when advertiser use the Music Appeal, to make the music front and center of the ad, appealing to the target audience's tastes in music and feel-good rhythms.

### 10.8.3 Importance of Jingles and Music in advertisement

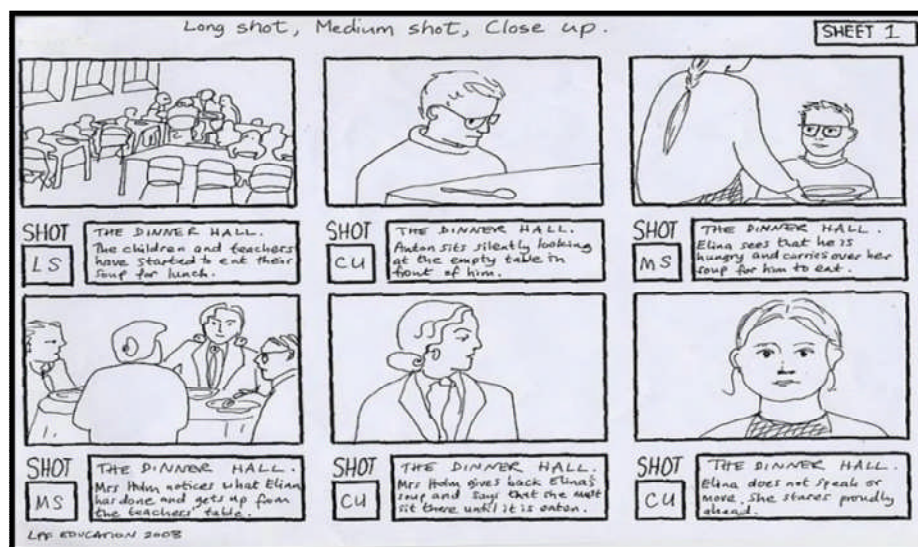
- 1) It enables to remember advertisement for long period of time.
- 2) It easily attracts attention of audience towards ad message.
- 3) It helps to create brand image in the minds of target audience.
- 4) It makes ad more entertaining so that audience can pay attention towards it.
- 5) It can help to differentiate brand from competitor.

## 10.9 CONCEPT OF STORYBOARD

### 10.9.1 Meaning

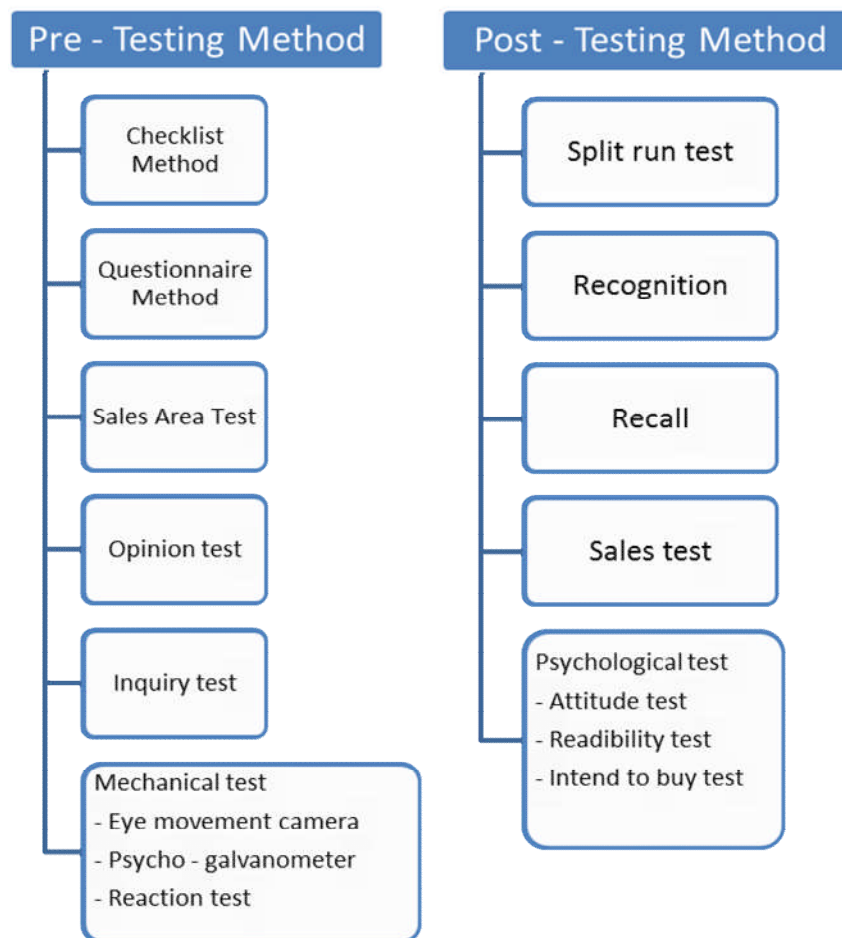
"Storyboards are visual organizers, typically A series of illustrations displayed in sequence for the purpose of pre-visualizing a video web based training, or interactive media sequence." Making a storyboard involves careful planning on how the scenes will be filmed. Without a storyboard, shooting a television commercial or movie will be a hard task to do.

Creating a storyboard is a vital step in any video production, commercial shoot, television ad, and in films. Without a storyboard, directors and producers will not be able to visualize what they want to show when the camera starts rolling.



## 10.10 METHODS OF TESTING ADVERTISING EFFECTIVENESS

Every firm spends a good amount of money on preparing advertisement and hence it is essential to test and understand the effectiveness of advertisement from the consumer's point of view. There is a possibility that advertisers try to show positive side of the product but the same is not conveyed to consumers. Therefore, while testing the ad it clarifies the attitude, perception and outlook of the consumers towards product.



- A. PRE-TESTING METHOD:** It refers to testing the potentiality of a message or copy before printing or broadcasting. It is useful because the concepts in advertising may appear to be simple and effective to the advertiser or ad agency. It may be difficult and confusing from the layman's point of view. All the elements of advertising copy require careful pre testing to see that matter it intends to be conveyed has been actually conveyed or not. **The various pre-testing methods of advertising are as follows:**



- 1) **Checklist method:** It is the oldest and easiest methods to check the effectiveness of advertise. The researcher put downs the common items that are found in advertisement and then the research has to tick the item which is covered in the advertisement. They can put the items like:
  - Price of the product
  - Is the usage easy to understand?
  - Does it convey the benefits?
  - Interest factor is highlighted
- 2) **Questionnaire method:** In this method, a set of questions are prepared with respect to the advertisement. After showing the ad to the group of target audience, they are asked to fill up the questionnaire. The questionnaire is analysed and interpreted to know the effectiveness of advertise.
- 3) **Sales area test:** Under this method, the different ad campaign is conduct at different cities. The impact of the campaign is evaluated in terms of comparing the actual sales in different markets. The market having highest sales is considered to be the effective ad campaign.

Ad campaign A	Mumbai	60%	More effective
Ad campaign B	Pune	40%	Less effective

- 4) **Opinion test:** In this method, consumers act like judge and thus, several ads are shown to a group of consumers. After, viewing all the ads, consumers need to rate these ads. This method, can be done in two ways, they are as follows:

- a) **Order of merit rating:** A group of respondents are shown 5 to 6 ads and they are asked to rate the ad as per their liking:

	Respondent 1	Respondent 2	Respondent 3	Respondent 4	Respondent 5
Advertise 1	2	5	4	3	2
Advertise 2	3	2	1	1	3
Advertise 3	1	1	3	2	1
Advertise 4	4	4	2	4	5
Advertise 5	5	3	5	5	4

In above case, advertise 3 has been ranked 1 by three respondent hence this advertise is considered as most effective among other advertise.

- b) **Paired comparison:** In this method, respondent is shown 2 ads at a time and respondent is asked to select one. Such other combinations are made again with other ad campaign and thus effective advertisement can be selected.

Ad campaign 1	Ad campaign 2
Ad campaign 2	
Ad campaign 3	Ad campaign 4
Ad campaign 4	
Ad campaign 2	Ad campaign 2
Ad campaign 4	

**5) Inquiry test:** Several advertisement is being put up either in newspaper and magazine. It is noted that what kind of inquiries are been raised by viewers. These inquiry tests are used extensively to test copy appeals, copies, illustrations, offers and other components. The advertisement which has maximum enquiries is considered as the best one.

**6) Mechanical test**

**a) Eye Movement Camera:** It measures how the eyes move over the layout of test ads. The route taken by the eye and also the pauses are noted so that the areas of interest and attention can be judged.

**b) Galvanometer:** It measures skin responses to ad stimuli like perspiration by gland activity through palm. More perspiration decreases the resistance and faster current passes. The tension is generated. The greater it is, the more effective the ad is. The technique is of limited use for ads of a very sensitive nature.

**c) Reaction test:** The potential effect of an advertisement is measured with the help of certain instruments, like measure heartbeats, blood pressure, pupil dilation etc. Their reaction reveals the psychological or nervous effects of advertising.

• **Objectives of Pre-Testing Method**

- 1) To find the errors in the advertising copy.
- 2) To know the effectiveness of advertisement.
- 3) To find out whether the central idea is expressed well or not.
- 4) To understand whether the message is conveyed to the right audience or not.
- 5) To reduce wastages in advertising.
- 6) To avoid costly mistakes at a later stage.

**B. POST-TESTING METHODS:** These tests are conducted after running the ad campaign. The basic purpose of post-testing is to provide an insight into the performance of ad campaigns & draw some conclusions from it about the future conducting of advertisements. **The various post-testing methods of advertising are as follows:**

- 1) **Split run test:** It is a technique that makes possible testing of two or more ads in the same position, publication, issued with a guarantee of each and reaching a comparable group of readers. It is an improvement over the inquiry test in that the ad copy is split into elements like appeal layout headline and so on.
  - 2) **Recognition test:** It determines the readership of the advertisement in the newspaper and journals. This test is conducted by personal interviews with readers and magazine or newspaper. The interviewers locate the readers of the particular issue of the magazine in question. They then go through the magazine page by page with the respondent indicating those advertising elements which reader recognizes having read.
  - 3) **Recall test:** In this test a group of respondents who have seen the newspaper or magazine where the advertisement had appeared is selected. A few questions are asked in order to verify the respondent has gone through the advertisement.
  - 4) **Sales area test method:** In order to find out the effectiveness of the ad campaign, the increase in sales in both the cities will be collected & studied. The increase in sales of a product will indicate the success of the campaign. In case there is decline in the sales or if the sales do not increase, it indicates that the campaign has failed.
  - 5) **Psychological test:** The whole process of advertising is psychological in nature. Therefore, it is necessary to conduct some psychological test like:
    - a) **Attitude test:** A group of consumers are exposed to sample advertising messages either oral or printed. The interviewer then asks series of questions to understand the attitude of consumers towards advertisement.
    - b) **Test of readability:** It is a technique, by means of series of penetrating questions and by other techniques developed by psychologists, the ease of readability.
    - c) **Intend to buy test:** The readers or viewers of the advertisement are asked about their intention to buy. For positive responses further investigations are done to find the strong influences in the advertisement because of which they decide to buy.
- **Objectives of Post-Testing Method**
    - 1) To find out whether the advertisements were informative.
    - 2) To evaluate whether the advertising objectives are accomplished.
    - 3) To know the testimonial used in the advertisement is credible.

- 4) To identify whether the consumers recall the brand name and the message given in the advertisement.
- 5) To understand the impact of ad on the buying behavior.

---

### 10.11 SUMMARY

---

This module enables you to understand concept of advertising copy. Copywriting is an art of using words in persuasive manner which motivates the readers/audiences to take productive action. It explains about essentials of copy writing, different elements of ad copy and types of ad copy.

Further this module enables to know the execution styles of ad as well as importance of jingle and music in the advertisement. Concept of storyboard is also discussed here.

Finally, this module elaborates various pre-testing methods of advertising effectiveness before publishing or releasing of advertisement. This enables to find out errors in the advertisements which can be timely corrected. It also elaborates various post-testing methods of advertising effectiveness after publishing or releasing of advertisement. This enables to find out whether the ad message reached to target audience or not and accordingly improvisation can be done in the future advertisements.

---

### 10.12 EXERCISE

---

**State whether the following statements are True OR False**

1. Advertising copy refers to the textual element in the ad.
2. Logo acts as a corporate signature.
3. Layout means arranging the elements of an ad.
4. Storyboards are used in television ads.
5. Pre-testing helps in finding out any grammatical and conceptual error in advertising copy.
6. Pre-testing of advertising campaigns undertaken before launching of advertising campaign.
7. Informal balance is one where the elements of the ad are placed at random.
8. Logo is used to sum up the advertising message.
9. Institutional copy highlights the products manufactured by the company.
10. Jingles are used in print ads.
11. Recall test is a pre-testing method of testing advertising effectiveness.
12. Every ad must have a headline.

(1 to 7 are True and 8 to 12 are False)

**DEFINE/EXPLAIN THE FOLLOWING TERMS**

- 1) Advertising Copy
- 2) Illustration
- 3) Layout
- 4) Jingles
- 5) Pre-testing of advertising effectiveness
- 6) Post-testing of advertising effectiveness

**ANSWER IN BRIEF**

1. Explain the term ad copy. What are the essentials of copywriting?
2. Write a note on jingles and music in advertising.
3. Describe the concept of story board in detail.
4. What are the principles of layout in advertising?
5. Explain different pre-testing methods of evaluation of advertising.
6. Explain different post-testing methods of evaluation of advertising.

**References:**

<https://www.allaboutoutdoor.com/special-featuredetail.php?category=1&mid=81&keyword=Innovation>  
<https://www.docsity.com/en/advertising-and-sales-promotions-new-pre-test-and-post-test-of-advertising-copy-notes-business-administration/53273/>  
<https://www.tandfonline.com/doi/abs/10.1080/02650487.1984.11105033?journalCode=rina20>  
<https://www.wisdomjobs.com/e-university/advertising-management-tutorial-348/testing-of-advertisement-10720.html>

**Books**

S.A.Chullawala, 1997, Foundation of advertising theory and practice, Himalaya Publishing House.  
 John Wilmshurst and Adrian Mackay, 1973, Fundamentals of advertising, Taylor & Francis Group Publisher.  
 William Wells and John Burnett, 1926, 7<sup>th</sup> edition, Advertising principles and practice, Pearson.



## FUNDAMENTALS OF CREATIVITY IN ADVERTISING

### Unit Structure :

- 11.0 Objectives
- 11.1 Introduction
- 11.2 Importance of Creativity in Advertising
- 11.3 Creative Brief
- 11.4 Visualization
- 11.5 Buying Motives
- 11.6 Selling Points
- 11.7 Appeals
- 11.8 Unique Selling Proposition (USP)
- 11.9 Endorsers
- 11.10 Celebrity Endorsements
- 11.11 High Involvement Products (HIP)
- 11.12 Low Involvement Products (LIP)
- 11.13 Summary
- 11.14 Exercise

---

### 11.0 OBJECTIVES

---

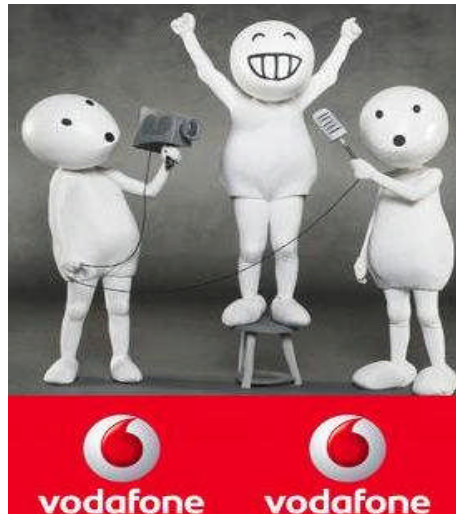
After studying the unit students will be able to:

1. Analyze the importance of creativity in advertising
2. Explore concept creative brief
3. Understand techniques of Visualization
4. Explain the buying motives and selling points
5. Know types of appeals and concept of Unique Selling Proposition (USP)
6. Explain types of endorsers
7. Assess the advantages and limitations of celebrity endorsement
8. Differentiate between High Involved Products (HIP) and Low Involved Products (LIP)

---

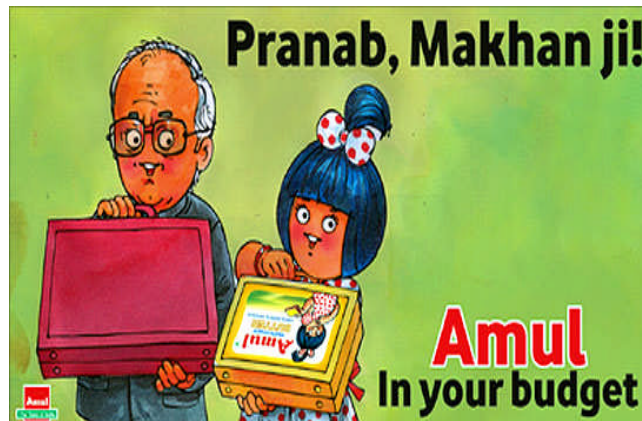
## 11.1 INTRODUCTION

---



Most brands in the same category deliver more or less the same functional benefits and answer the same needs of the consumers. With so many products on the market having the same function, the only way to position a product, service or company differently from anything else in the same category is through creative development in advertising.

Creativity means being novel and appropriate. It is the ability to generate fresh unique and appropriate ideas that could be used as solution to communication problem.



---

## 11.2 IMPORTANCE OF CREATIVITY IN ADVERTISING

---

Creativity is the soul of advertising. It gives life to the advertising message. Without creativity, the advertising would become boring and insignificant in the minds of target audience. Advertising agency consisting of creative team of copywriters, art directors, account planner etc. helps advertiser in developing creative advertisement.

- 1) **Attract Attention:** The creativity in the advertisement helps to attract attention of target audience towards the product. For instance, stunts performed in the advertisement of Pepsi, Thumps-up etc. helps to attract the attention of youngsters.
- 2) **Develop Brand Image:** Creativity in advertisement also helps in developing image of brand in the mind of target audience. For instance, the advertisements of dish wash bar such as Vim and Expert or washing powder like Rin and Tide, make use of special effects to show how the product cleans utensils or cloths. This has helped to create image of these products in the minds of housewives.
- 3) **Competitive Advantage:** Creativity in advertisement helps advertiser to enjoy competitive advantage over competitors in the market. For instance, Head & Shoulder shampoo enjoy competitive advantage over other dandruff cleaning shampoos available in the market.
- 4) **Increase sales:** The sales of firm may increase due to creativity in their advertisement. For instance, due to creativity in the ad, sales of companies like Hindustan Unilever, Procter & Gambles, Nestle etc. have increased.
- 5) **Remember Ad:** Creativity increases potentiality of remembering advertisement as compared to other simple ads without any creativity. For instance, we remember the ad of 5 Star Chocolate due to characters of Ramesh and Suresh used in that ad. We also remember ad of Fevicol due to its creativity.
- 6) **Develop Positive Attitude:** At introduction stage of product life cycle, people may have neutral attitude towards new product. But because of creativity in ad, a positive attitude can be developed of target customers towards new product. For instance, within short period of time people accepted Indulekha Bringha Oil due to creative ad of it.
- 7) **Demonstrate Superiority of Quality:** Creativity demonstrates superiority of product quality. For instance, 'Jab ghar ki ronak badhani ho, diwaron ko jhag Magana ho, Nerolac...Nerolac...' This creative jingle demonstrates superiority of quality of Nerolac paint.

---

## 11.3 CREATIVE BRIEF

---

### 11.3.1 Meaning

A creative brief is a document that explains in detail about a project to the creative team, ad agency, or designer to design effective ad campaign. It acts as a blueprint that guides creative team on how to best reach the ad campaign's stated goals.



In other words, a creative brief is a short one-two page document outlining the strategy for a creative ad campaign. The creative brief is usually created by the account manager in close consultation with the client.

The creative brief also serves as a document of communication between client and agency as to the campaign objective, points of differentiation, and media channels that will be used to reach the target audience. When the client signs off on the brief, it gives the creative team the green light to start the concept phase for ad development.

### **11.3.2 Most creative briefs include the following:**

- Communication objectives
- Creative strategy
- What is the product offering?
- Market segment/ Business segment
- Identified target audiences
- Attribute/benefit/emotional connection to the brand
- Key messages
- Competitive situation
- Media strategy
- Budget

### **11.3.3 Need/Importance of Creative Brief**

- 1) Understand client's objectives:** Although the primary benefit of a creative brief is the synthesizing key information in a single place. It will enable a more comprehensive understanding of the client's objective and better determine how you can work on it to achieve them.
- 2) Provides Database:** A strong creative brief not only include client's product, context and objective. It also includes client's a vision describing what the clients wants, requires, and needs. It is needed to inform all stakeholders from start to finish.
- 3) Inspiration and confidence to employees:** Creative brief being a well-shaped and thoughtful document could help sparks ideas among employees of ad agency. It can also be helpful as a means to provide confidence to employees who read it.
- 4) Provide information to all:** The account manager, creative directors, designers and copywriters are involved in the preparing the ad campaign. Everyone is not going to be involved with every client meeting. The creative brief is an easy way to provide information to all. So it's valuable to have a short, easy-to-read, single place that accumulates all the relevant information.

- 5) **A Reviewable and recorded document:** After the ad campaign is completed, the creative brief still maintains value. It can be useful when working on similar projects or clients in future. It can be a reminder of what we did before, and provide insight into what might be needed to ensure a similar success going forward.

---

## 11.4 VISUALIZATION

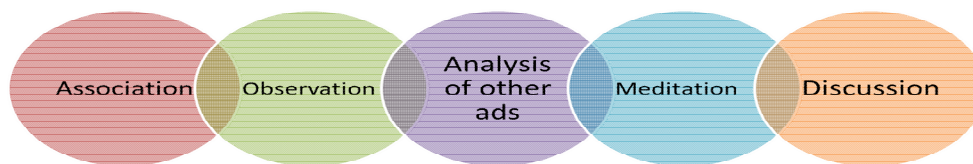
---

### 11.4.1 Meaning

The term “visualization” refers to imagination of something for creation of an idea. Creative team which includes writers, artists and production personnel do visualize in creating an advertisement. Creative team do visualize in suggesting the composition or the situation that dramatizes the theme of the advertisement.

In other words, visualization is a creative imagination of idea, which is converted into an effective advertising message. It is an ability to imagine in mind about how the ad will look like when it is completed.

### 11.4.2 Techniques of Visualization



- 1) **Association:** The visualizer can visualize making association of two different ideas in creating an advertisement that can draw attention of the prospects. Eg. We see in the ad of ‘Thumps Up’ where stunts are performed to get the bottle of Thumps Up. Here stunts and consuming Thumps up, these two unrelated ideas are associated to attract youngsters to consume Thumps up.
- 2) **Observation:** In this technique of visualization, the visualizer may observe the behaviour of consumers in the market and accordingly they can create an advertisement. Eg. India customers are price sensitive, by observing this, many discounts offering ads we come across, which are made to attract Indian customers.
- 3) **Analysis of other ads:** The visualizer can observe other advertisement shown or displayed. From there visualizer can get an idea for advertisement.

- 4) **Meditation:** The visualizer can do meditation and focus entire attention on advertisement. This deep concentration can enable him to visualize for creative advertisement.
- 5) **Discussion:** The visualizer can discuss with expert or his group about creative idea in his mind. This discussion can enable to visualizer creative advertisement.

---

## 11.5 BUYING MOTIVES

---

### 11.5.1 Meaning and Definition

Behind every purchase there is a buying motive. It refers to the thoughts, feelings, emotions and instincts, which arouse in the buyers a desire to purchase a product. In other words, buying motive refers to reason why the customer purchases the product. Eg. When person is hungry he buys food grains or for shelter he buys house or for his habits and hobbies he buys certain things. It means hunger, shelter, habits and hobbies are buying motives.

Knowledge of buying motives of customers is important producers and suppliers to know. After analyzing and evaluating buying motives, the advertiser can develop creative advertisement.

**According to Prof. D. J. Duncan,** "Buying motives are those influences or considerations which provide the impulse to buy, induce action and determine choice in the purchase of goods and services."

### 11.5.2 Types of Buying Motives



- 1) **Security and Protection:** Desire for safety or security is an important buying motive influencing many purchases. For instance, safety lockers are bought by the people because they want to safeguard their cash, jewelry etc., against theft.

Likewise, people buy life insurance policy for safety of their lives or they buy medicines against protection from diseases.

- 2) **Comfort and Convenience:** Desire for comfortable and convenient living is also a buying motive. Many products are bought for the comfort and convenience purpose. Eg. Office goers purchase two-wheeler because it provides more comfort on the roads of Mumbai where too much of traffic is found in peak hours. We buy air conditioner, refrigerator, washing machine etc. at home for comfortable life to live.
- 3) **Social Pride and Prestige:** Many buyers are proud of possessing some products which increases their social prestige or status in the society. Eg. Purchase of diamond, luxurious car and other expensive things.
- 4) **Love and Affection:** Love and affection for others is one of the stronger buying motives influencing the purchasing decisions of the buyers. Eg. Husband may buy some electronic appliance for his wife. A brother may buy gift for his sister on the occasion of Raksha Bandhan.
- 5) **Sex Appeal:** Buyers buy certain products, as they want to attract his/her opposite sex. Eg. Men or women buy perfumes, garments etc. because of sex appeal.
- 6) **Recreation or Pleasure:** Buying motive is also affected by reaction and pleasure purpose of a person. A person buys movie ticket or goes to amusement parks for recreation and pleasure purpose.
- 7) **Habit:** Many people buy a particular product because they are habitual of it. Eg. Many people consume cigarette and liquors because of sheer habit.
- 8) **Economy:** Economy refers to savings, which affects buying motive of consumer. Eg. People purchase products from Big Bazaar and Amazon because goods are available at discounted rates and they save on shopping.
- 9) **Other Buying Motives:**
  - Ambition
  - Fashion
  - Fear
  - Gain
  - Curiosity
  - Recommendation

## 11.6 SELLING POINTS

The selling points are special points of product that can be used by advertiser to convince target audience to buy the product. It helps in creating image of product in the mind of target customers. A thorough study of product will enable advertiser to find out selling points of the product which can be highlighted in the advertisement to induce buyers to buy product. Following are some of the selling points:



- Special Features of product: Eg. Lizol Disinfectant Surface Cleaner –Kills 99.9% germs
- Price of product: Eg. Big Bazaar – Isase sasta aur acha kahi nahi
- Benefits of Product: Eg. Feviquick – Chutki me chipkaye fevikquick
- Environment Friendly Product: Eg. Syska LED lights
- Safety of using product Product: Eg. RR Cables
- Offers: Discounts, Combo Offers, Exchange Offers, Installment etc.
- Others

- ✓ After-sales-service:
- ✓ Warranty
- ✓ Age of Company
- ✓ Awards of Company
- ✓ Durability of product
- ✓ Speed
- ✓ Prestige
- ✓ Installments

---

## 11.7 APPEALS

---

### 11.7.1 Meaning

Every advertisement is an appeal to target customers. The product / service is superior to competitor and customers should buy it, this clarification in an advertisement is an appeal. Advertising appeals are the persuasion that stimulates a person to buy a product/service by highlighting to an individual's needs, interests, or wants. It is designed to create a positive image and mindset about those who use the product/service.

In other words, an advertising appeal refers to the approach used to attract the attention of consumers and/or to influence their feelings towards product. It is something that moves people, speak to their wants and needs and excites their interest.

Advertisement agencies use different types of advertising appeals to influence the purchasing decisions of customers. They build advertising campaign around the appeal.

### 11.7.2 Types of Appeals

- 1) **Emotional Appeal:** Customers' social or psychological needs for purchasing a product or service are targeted. They work quite well because they reduce the price sensitivity and strengthen the brand equity. They even continue to work well in times of economic slowdown because of this feature. Eg. The Life Insurance. It appeals to the emotion of people which enables them to care for people around them.



Emotional Appeal



Comparison Appeal

Celebrity and Youth appeal



- 2) **Rational Appeal:** This type of advertising focuses on the consumer's practical, functional or utilitarian need for the product/service. It emphasizes on features, benefits, reasons for owning or using a particular product. Eg. Horlicks advertisement shows the necessity of child to consume it in order to grow tall, strong and sharp.
- 3) **Humor Appeal:** Humor appeal type helps to grab attention of audience. When consumers find something humorous, the consumers watch, laugh and, most importantly, remember the ad. Eg. Advertisement of Happy Dent, Cadbury 5 Star. etc. has used humor appeal in their ad.
- 4) **Youth Appeal:** In this appeal young celebrities are shown using products in such a way that the young customers feel that it connects to them. Eg. Garnier, Pepsi, Hero Honda etc.
- 5) **Bandwagon Appeal:** This type of advertising is meant to signify that since everybody is doing something you should be a part of the crowd as well. Eg. McDonald appeals to its customers that they have served millions and billions of customers. This encourages the customers to try out McDonald products.
- 6) **Fear Appeal:** Fear is also an important factor that can have incredible influence on individuals. The seller tries to show the negative consequences, if the customer fails to use their products. This creates fear in the mind of customers and persuades them to buy product. Fear is often used in marketing campaign of beauty and health products and also in insurance.
- 7) **Celebrity Appeal:** Popular celebrities are chosen to endorse the brand. The public get attracted to see their favourite celebrity and tend to buy the product. Eg. Lux Soap, Garnier etc.
- 8) **Comparison Appeal:** In this appeal a brand's ability to satisfy consumers is demonstrated by comparing its features to those of competitive brands. Eg. Tide & Surf, Vim bar and Expert Bar

---

## 11.8 UNIQUE SELLING PROPOSITION (USP)

---

### 11.8.1 Meaning

Unique selling proposition is a marketing term which highlights unique feature of a product which is different from a competitor. It is the main positive point of a product or a service offered to its customers. It makes product stand out in competitive market because of its specific benefit offered which is not offered by competitor.



If all the products appear to be the same, prospective customers won't know which one is right for them. Unique selling proposition helps them to differentiate among the variety products available in the market. This concept was originated by **Rosser Reeves** (father of USP) in his book 'Reality in Advertising'.

- **Unique:** Proposition or offer should be unique and different than competitor
- **Selling:** Offer must be strong enough to attract new customers
- **Proposition:** Offer must provide to customers a specific benefit.

#### 11.8.2 Some common examples of USP of products are

- ✓ **Dominos:** You get fresh, hot pizza delivered to your door in 30 minutes or less or it's free.
- ✓ **Head & Shoulders:** You get rid of dandruff
- ✓ **Dove Soap:** Provides deep Moisturizer for Dry Skin
- ✓ **Lifebuoy:** provides 100% better protection from germs as compared to ordinary soaps
- ✓ **Tide:** Provides good whitening and fragrance at low price

---

### 11.9 ENDORSERS

---

#### 11.9.1 Meaning

Endorser refers to a person who endorses the product/service. They provide information about the advertised product and influence the buying decision of target audience by showing superiority of the product / services.

#### 11.9.2 Types of Endorsers



Celebrity Endorsement



Ordinary people or Loyal  
Customer Endorsement



CEO Endorser



Cartoon / Animated  
Character Endorsement

- 1) **Celebrity endorser:** Celebrities are the ones who are first identified. Celebrities can be athletes, actors, comedians, and entertainers. Celebrities are known faces to the public. Celebrity endorsers are chosen for their ability to provide reference and persuade people to buy the product. Eg. Lux soap ad by Hema Malini to Alia Bhatt. Reebok ad by M.S. Dhoni, etc.
- 2) **Ordinary people:** Now-a-day there is an increase in the use of ordinary people. Because of the negative effects that often arise from the use of celebrity due to their controversies. Eg. Dove soap ad and Vim Dishwash Bar make use of ordinary people sharing their experience after use of product.

- 3) **Loyal Customers:** Loyal customers who use product of company can be used in the advertisement to share their experience with audience. Eg. Advertisement of Colgate where a mother says 'I use only Colgate for my family'
- 4) **Expert endorser.** Positive reviews from experts can provide support for sales of a product. Experts provide a rationale to consumers about using the product. Eg. In the ad of 'Pure-It' – a water purifier, a doctor advises to purchase it.
- 5) **The CEO (or Company President):** The president of the company is a fairly rare type of advertising, since it rarely appears publicly. CEO use of the company can produce better if the CEO is also a public figure. The use of CEOs in an advertisement such as that done by Microsoft with Bill Gates and Apple by featuring Steve Jobs as the star of his product ad.
- 6) **Animated or Cartoon Character:** Popular cartoon character is selected to promote brand specially to attract children. Also some animated characters are developed to promote the product. Eg. Vodafone had created animated character - Zoo-Zoo, which was very popular and remembered by public.

---

## 11.10 CELEBRITY ENDORSEMENTS

---

### 11.10.1 Meaning

Celebrities are the ones who are first identified. Celebrities can be athletes, actors, comedians, and entertainers. Celebrities are known faces to the public. Celebrity endorsers are chosen for their ability to provide reference and persuade others. Eg. Lux soap ad by Hema Malini to Alia Bhatt. Reebok ad by M.S. Dhoni, etc.





### 11.10.2 Advantages of Celebrity Endorsement

- 1) **Create Brand Image:** Celebrity endorsement helps to create brand image in the minds of target customers. It also improves ad recall value, making consumers remember ad for long period of time. Eg. Endorsement of Lux soap by actors from Hema Malini to Alia Bhatt. Revital Tablet ad by Salman Khan.
- 2) **Increases brand recognition:** Using a well-known celebrity to endorse a brand also attracts new target audience who may have not previously bought the advertised product. But now they will buy because their favourite actor or sports personality uses it. For instance, Michael Jordan fuelled the success of Nike's Air Jordan sneakers, which were introduced in 1985 and remain popular even today.
- 3) **Expansion of Markets:** A celebrity endorsement enables to reach out to a different set of customers and new markets. This results into expansion of market for advertised product.
- 4) **Builds brand credibility:** Due to attachment with their favourite celebrities, people develop trust on the brand endorsed by them. Endorsements by favourite celebrity also reassure customers that the quality of a product will meet their expectations.
- 5) **Develops brand personality:** Endorsement by celebrity, even if it is with a fictional character, can help to establish a brand personality. That personality becomes another relationship building tool that can be used to improve customer loyalty, message retention, and sales.
- 6) **Recognition for new product:** Use of celebrity for brand endorsement can help in getting attention recognition for new product in the market. For instance, When Tu Face Idibia, a popular musician in Nigeria, endorsed Airtel (a telecommunica-

tion service provider), a lot of people were attracted to their products and service.

- 7) **Help to rebuild corporate image:** About a decade ago, when Cadbury India, the country's largest and most admired chocolate major, was battling declining consumer confidence and problems arising out of worm infestation reports in its chocolates, it came up with probably its best PR strategy. Though a new poly-flow packaging was soon adopted by the company, what actually helped in reinstating the brand's emotional equity and confidence with consumers was film star Amitabh Bachchan's endorsement of the brand. Soon, customers realized "*Kuch Khaas Hai Zindagi Mein*".

### 11.10.3 Limitations of Celebrity Endorsement

- 1) **Expensive:** Endorsement of brand by celebrity is going to be a cost associated with it that some businesses may not be able to afford. Crores of rupees are charged by celebrities for endorsement of products.
- 2) **Multiple Endorsements:** A celebrity may endorse multiple brands within same industry. This may affect credibility of audience about the brand. Eg. Celebrities like Amitabh Bachan and Shah Rukh Khan endorse multiple brands which makes difficult for a person to recall all brands endorsed by them.
- 3) **Mismatch celebrity personality and brand endorsed:** There may be mismatch between a celebrity's personality and the brand endorsed which not only lead to the celebrity losing his credibility but also raises questions on the brand endorsed by them. For instance, many eyebrows were raised when Virat Kohli, endorsed a fairness cream during the last Cricket World Cup, leading people to question as to why a promising cricketer would endorse a fairness product.
- 4) **Scandals:** The celebrity may be involved in the scandals which may adversely affect image of the brand which he/she endorsing. Eg. Match fixing scandals by celebrity may have adverse effect on the demand for product endorsed by them.
- 5) **Controversies:** Celebrities may get into controversies that can harm image of brand they endorse. Eg. Australian former leg-spinner Shane Warne was seen smoking a puff in a Barbados bar. This created problems for the brand he was endorsing 'Nicorette' (it is a chewing gum that helps to quite smoking).
- 6) **Gap between Endorsement and Usage:** The celebrities who endorse the brand may not be using it. Eg. Lux advertisement



showing Shah Rukh Khan in bath tub, was not digested by audience.

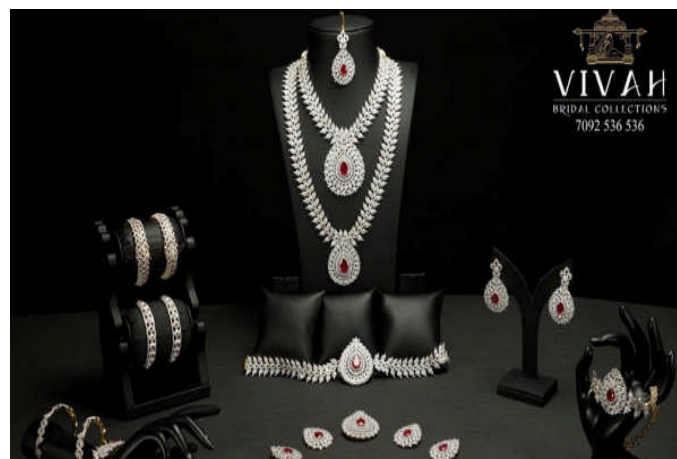
---

## 11.11 HIGH INVOLVEMENT PRODUCTS (HIP)

---

### 11.11.1 Meaning

A high involvement product is a product where extensive thought process is involved and the consumer considers a lot of variables before finally making a purchase decision. Many times, high involvement products involve multiple influencers who influence a buyer to buy a product. For instance, when a person wishes to purchase a BMW car, he would involve his family members, friends and other to take review of cars. He would also browse on internet about features of that car. After getting all the information he would purchase a car. Such products show personality, standard and lifestyle of customers.



### 11.11.2 Features of HIP

- 1) **High price:** The high involvement products are of high price. Because of high price, the consumer thinks multiple times before buying such product. Eg. Purchasing house, car,

expensive watches, perfumes etc. are of higher price and so it requires higher involvement.

- 2) **Differentiation is important:** The high involvement products require differentiation between the products. For instance, Macbook pro V/S Dell XPS 13 are having lot of points differentiating them and these differentiating factors are needed. These factors create enough value to instigate the consumer in making a decision.
- 3) **Customer perceived risk:** Due to high price and higher customer expectations from high involved products, there is a perceived risk involved in purchase of such products. What if you purchase a product and it does not work as per your expectations even after investing a large amount of money?
- 4) **Available Information / Company communications:** The consumer seeks out more information about the product before the purchase. For instance when one want to purchase a Macbook, he would find out the difference between a Macbook and a windows laptop. There are many websites which enable comparison between products. Similarly, there are many review sites which compare televisions, high end cars, consumer appliances or anything else. These review sites give a lot of additional information of the product, which help the consumer in decision making. Not only websites, E-brochures, printed brochures, E-commerce pages can all help the customer in gathering information about the product. The more information the customer has, the more likely he is going to purchase the product. So it is the job of the marketing manager of an organization to ensure marketing communications is upto mark and that the users are well informed.
- 5) **After sales service:** Many times customers don't buy high involved products because its after sales service is poor. Eg. A car which does not have its spare parts available in India may not be preferred by the customers. The better the after sales service and customer satisfaction, the more is the chance of a high involvement product being sold off again and again.
- 6) **Repeat purchase:** Consumer may not repeat purchase of the high involvement products in short period of time. Eg. A middle class consumer bought a car. He would use that car at least for 10-15 years. He would not immediately make decision of purchasing another car.

---

## 11.12 LOW INVOLVEMENT PRODUCTS (LIP)

---

### 11.12.1 Meaning

Low involvement products, as the name suggests, are products where the consumer need not to think too much before

purchasing the product. There is not much risk involved in low involvement purchase, as a result of which decision making is much faster. Most FMCG products can be classified as a low involvement product.



### 11.12.2 Features of LIP

- 1) **Low price:** Low involvement product is generally of lower price. As the price is lower, the consumer does not think multiple times before making the purchase. Eg. Soap has a very less price and mostly all soaps perform the same function. Hence, Soaps are low involvement purchase.
- 2) **Not much differentiation:** There is no much differentiation in low involvement products. Eg. Products like Coca Cola and Pepsi or Bisleri and Aquafina do not have much differentiation in their features. If Bisleri is not available, the customer will buy Aquafina or any other mineral water brand that is available.
- 3) **Low risk factor:** As the price is lesser so there is no risk involved in the purchase of low involved products. So a consumer does not get heavily involved in the purchase of such a product. Eg. A consumer will think very less while purchasing chips or chocolates.



- 4) **Brand switching:** Because there is not much differentiation and as the risk in the purchase is minimal, there is heavy brand switching wherever Low involvement purchases are involved. Customer might not stick to one single brand and they will keep checking out new brands in the market.
- 5) **Availability and distribution:** Availability of the product is a major criteria for purchase decision making. Eg. A customer wants to have ice cream but his favorite brand is not available at the store. He will easily buy another brand. He might not like it as much as the favourite one, but it will be ice cream and he will enjoy it. The customer will not wait for the availability of the branded ice cream only. Thus, the better the distribution of a low involvement product, the more is the sale.

---

### 11.13 SUMMARY

---

Creativity means being novel and appropriate. It is the ability to generate fresh unique and appropriate ideas that can be used as solution to communication problem. The creativity in advertisement is importance because it attracts attention of customers, develop brand image, creates competitive advantage, helps to increase sales, remember ad, develops positive attitude and so on.

A creative brief is a document that explains in detail about a project to the creative team, ad agency, or designer to design effective ad campaign. It acts as a blueprint that guides creative team on how to best reach the ad campaign's stated goals. It is needed to understand client's objectives, provides database, inspiration and confidence to employees, provide information to all, reviewable and recorded document and so on

Visualization is a creative imagination of idea, which is converted into an effective advertising message. It is an ability to imagine in mind about how the ad will look like when it is completed. Various techniques of visualization are association, observation, analysis of other ads, meditation, discussion and so on.

Buying motive refers to reason why the customer purchases the product. The various buying motives are security and protection, comfort and convenience, social pride and prestige, love and affection, sex appeal, recreation or pleasure, habit, economy, ambition, fashion, fear, gain, curiosity, recommendation and so on.

Selling points are special points of product that can be used by advertiser to convince target audience to buy the product. Various selling points include special features of product, price of product, benefits of product, environment friendly product, safety of

using product, offers, after-sales-service, warranty, age of company, awards of company and so on

Advertising appeal refers to the approach used to attract the attention of consumers and/or to influence their feelings towards product. The different types of appeals are emotional appeal, rational appeal, humor appeal, youth appeal, bandwagon appeal, fear appeal, celebrity appeal, comparison appeal and so on

Unique selling proposition is a marketing term which highlights unique feature of a product which is different from a competitor. It is the main positive point of a product or a service offered to its customers. Eg. **Dominos**: You get fresh, hot pizza delivered to your door in 30 minutes or less or it's free. **Head & Shoulders**: You get rid of dandruff

Endorser refers to a person who endorses the product/service. They provide information about the advertised product and influence the buying decision of target audience by showing superiority of the product / services. The different types of endorsers can be celebrity endorser, ordinary people, loyal customers, expert endorser, CEO of company, animated or cartoon character.

Celebrity endorsement have several advantages such as create brand image, increases brand, recognition, expansion of markets, builds brand credibility, develops brand personality and so on. It has some disadvantages as well such as expensive, multiple endorsements, mismatch celebrity personality and brand endorsed scandals & controversies of celebrities and so on.

A high involvement product is a product where extensive thought process is involved and the consumer considers a lot of variables before finally making a purchase decision. Such products are high priced, shows standard of living of consumer, requires in-depth information before buying it and customers spend lot of time and efforts before buying it.

---

## 11.14 EXERCISE

---

### FILL IN THE BLANKS

- 1) Creativity in advertisement helps in \_\_\_\_\_ (Decrease sales, develop negative attitude, develop brand image)
- 2) \_\_\_\_\_ is a document that explains in detail about a project to a creative team, ad agency, or designer to design effective ad campaign. (Creative Brief, Creative Break, Creative Brain)

- 3) \_\_\_\_\_ refers to imagination of something for creation of an idea for advertisement. (Virtualization, Visualization, Visionization)
- 4) \_\_\_\_\_ is one of the techniques of visualization. (Association, Observation, Both)
- 5) \_\_\_\_\_ refers to reason why the customer purchases the product. (buying motive, creative brief, endorsement)
- 6) Advertising \_\_\_\_\_ are the persuasion that stimulates a person to buy a product/service by highlighting to an individual's needs, interests, or wants. (Audience, Audio, Appeal)
- 7) In advertising, USP stands for \_\_\_\_\_ (Unique Selling Proposition, Unique Selling Product, Unique Selling Price)
- 8) \_\_\_\_\_ is an endorser of product/services in an advertisement. (Loyal customer, Animated character, Both)
- 9) Luxurious car is an example of \_\_\_\_\_ involvement product. (High, Low, No)
- 10) Shampoo is an example of \_\_\_\_\_ involvement product. (High, Low, No)

#### **DEFINE/EXPLAIN THE FOLLOWING TERMS**

- 1) Creativity in Advertisement
- 2) Creative Brief
- 3) Visualization
- 4) Buying Motives
- 5) Selling Points
- 6) Celebrity Endorsement
- 7) HIP
- 8) LIP

#### **ANSWER IN BRIEF**

- 1) Explain the importance of creativity in advertisement.
- 2) Write a note on Creative Brief.
- 3) Discuss different techniques of visualization in advertising.
- 4) What is buying motive Explain various buying motives in advertisements.
- 5) With the help of example explain various selling points used by sellers in advertisement.
- 6) What are the types of appeal in advertisement?
- 7) Write a note on USP.
- 8) Describe the various types of endorsers
- 9) Elaborate advantages and disadvantages of celebrity endorsement.
- 10) Distinguish between High Involvement Products and Low Involvement Products

## REFERENCES

[http://www.zeepedia.com/read.php%3Fcreativity in advertising three aspects are most accepted four rules of creativity advertising and promotion%26b%3D34%26c%3D18](http://www.zeepedia.com/read.php%3Fcreativity%20in%20advertising%20three%20aspects%20are%20most%20accepted%20four%20rules%20of%20creativity%20advertising%20and%20promotion%26b%3D34%26c%3D18)  
<https://www.slideshare.net/mobile/VriddhiSharma/buying-motives-40990347>  
<http://www.yourarticlelibrary.com/products/classification-of-buying-motives-product-buying-and-patronage-buying/22154>  
<https://www.mbaskool.com/business-concepts/marketing-and-strategy-terms/8529-unique-selling-point.html>  
<https://www.optimizely.com/optimization-glossary/unique-selling-point/>  
<https://wambam.com/importance-creative-brief/>  
<https://www.workamajig.com/blog/creative-brief>  
<https://www.pipefy.com/blog/online-marketing/what-is-a-creative-brief-briefing/>  
<https://www.upwork.com/hiring/design/how-to-create-an-effective-creative-brief/>  
<http://www.masscommunicationtalk.com/good-advertising-copy-attributes-visualization-and-layout.html>  
[https://www.google.com/search?q=type+of+appeal+advertising+examples&sa=N&rlz=1C1CHBD\\_enIN776IN776&biw=1024&bih=489&tbm=isch&source=iu&ictx=1&fir=yA-EwRePaz0xfM%253A%252C8zBlrUtl\\_4YjUM%252C\\_&vet=1&usq=A14\\_-kTMShvvtfHySB-\\_yX8liTJRrRTX3g&ved=2ahUKEwjE1NianbhAhVVmuYKHUEuCDc4ChD1ATABegQICRAE#imgsrc=yA-EwRePaz0xfM:&vet=1](https://www.google.com/search?q=type+of+appeal+advertising+examples&sa=N&rlz=1C1CHBD_enIN776IN776&biw=1024&bih=489&tbm=isch&source=iu&ictx=1&fir=yA-EwRePaz0xfM%253A%252C8zBlrUtl_4YjUM%252C_&vet=1&usq=A14_-kTMShvvtfHySB-_yX8liTJRrRTX3g&ved=2ahUKEwjE1NianbhAhVVmuYKHUEuCDc4ChD1ATABegQICRAE#imgsrc=yA-EwRePaz0xfM:&vet=1)  
<https://www.scribd.com/document/250466854/Different-Types-of-Advertising-Appeals>  
<https://ejournal.unsri.ac.id/index.php/jmbs/article/viewFile/5718/3123>  
<https://baerpm.com/2018/01/02/pros-cons-celebrity-endorsements/>  
<http://www.mondaq.com/india/x/454666/advertising+marketing+branding/Celebrity+Endorsement+Pros+And+Cons>  
<https://www.marketing91.com/low-involvement-product-low-involvement-purchase/>  
<https://www.marketing91.com/high-involvement-product/>  
<https://www.techshu.com/blog/9-indian-brands-are-doing-content-marketing-well>

Images taken from

<https://bit.ly/2X1dWvW>, <https://bit.ly/2Wofxik>, <https://bit.ly/2K0kojm>,  
<http://tiny.cc/isv76y>, <http://tiny.cc/isv76y>, <http://bit.do/eTeLF>,  
<http://bit.do/eTeL8>, <http://bit.do/eTeMB>, <http://bit.do/eTeMJ>,  
<http://bit.do/eTeMT>, <http://bit.do/eTeMY>, <http://bit.do/eTeNh>,  
<http://bit.do/eTeNo>, <http://bit.do/eTeNo>, <http://bit.do/eTeNG>,  
<http://bit.do/eTeNM>, <http://bit.do/eTeN6>, <http://bit.do/eTePc>,  
<http://bit.do/eTePu>, <http://bit.do/eTePE>, <http://bit.do/eTePQ>,

